



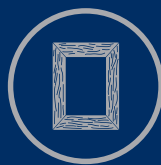
CONSTRUCT A LIFE, NOT JUST A BUILDING

ANNUAL REPORT 2011

Sansiri Public Company Limited



VERTICAL LIVING
CONDOMINIUM



MY WORLD
TOWNHOUSE



ATTENTION TO DETAILS
HOUSE



CONSTRUCT A LIFE, NOT JUST A BUILDING









ATTENTION TO DETAILS HOUSE

Sansiri considers the qualities in life that help to make a house a home. By incorporating the various cultural, technological and emotive aspects of homes from the past and present, we have reached a modern understanding of how to construct the dwelling of the future. From the entrance of the clubhouse to the landscaping of the grounds, the exterior and interior elements of Sansiri houses are filled with unique features, each with a story to tell. We pay attention not only to the physical details but also how we create a place where LIFE COMES HOME.





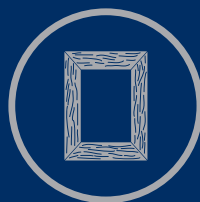
VERTICAL LIVING CONDOMINIUM

No matter how high it is ... the meaning of home never changes.

From bedroom to living room, around the swimming pool and the gym, through the corridors or inside the lifts, Sansiri condominiums are designed to fulfil the vertical living experience.

A place where people converge to share their stories. Sansiri home is where our daily journeys arrive. A place where LIFE COMES HOME.





MY WORLD
TOWNHOUSE

Dreams, inspiration and discovery. Space to find your world.

Sansiri gives importance to the place you live. A place where LIFE COMES HOME.

My World. I just love it here.

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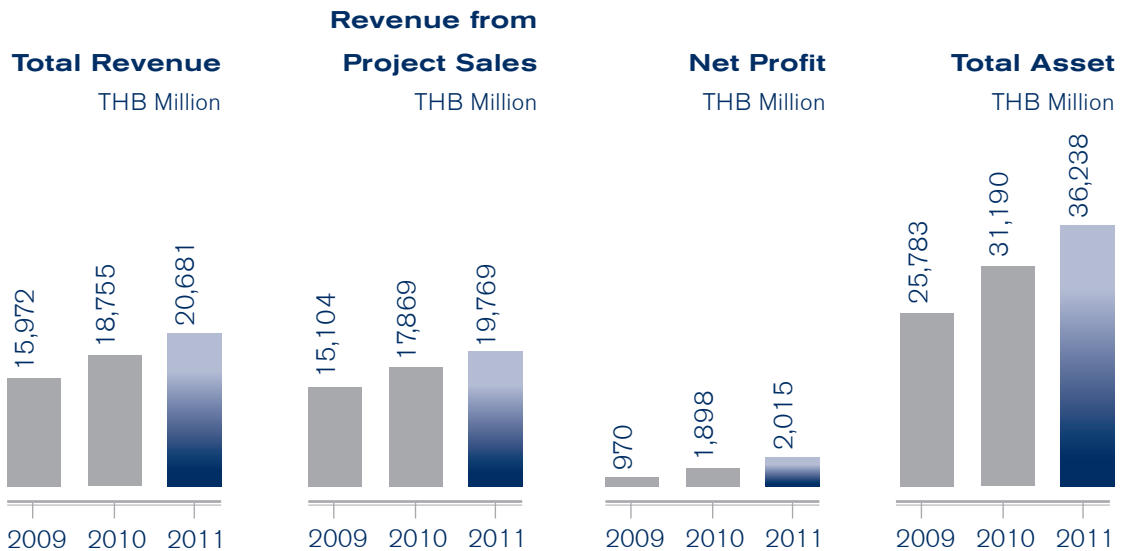
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FINANCIAL HIGHLIGHTS

		2011	2010	2009
Total Revenue	THB Million	20,681	18,755	15,972
Revenue from Project Sales	THB Million	19,769	17,869	15,104
Net Profit	THB Million	2,015	1,898	970
Total Asset	THB Million	36,238	31,190	25,783
Total Shareholders' Equity	THB Million	11,378	9,448	8,251
Gross Profit Margin (Core Revenue)	%	34.23	32.56	29.48
Net Profit Margin	%	9.74	10.12	6.07
Debt to Equity Ratio	Times	2.18	2.30	2.12
Gearing Ratio	Times	1.63	1.55	1.27
Net Gearing Ratio	Times	1.38	1.20	0.86
Earnings per Share	Baht	0.29	0.27	0.16
Book Value per Share	Baht	1.62	1.37	1.40



Remark: Financial figures are based on the consolidated financial statements.

CHAIRMAN'S MESSAGE

The flood last year had a devastating effect on large parts of Thailand, affecting particularly the real estate sector. However, the recovery has been fast, especially for zones not directly affected by the disaster. It is expected that business will return to normal aided by favorable factors such as low mortgage rate, financial sector support as well as governmental relief and stimulus measures.

In 2011, Sansiri group has managed to deliver a 10 % revenue growth despite the flooding in the fourth quarter. We owe this success to our ability to implement our integrated property development management with continuous improvement in management efficiency. In the social contribution front, in collaboration with UNICEF, Sansiri continues on its path to develop youth programme in three key areas. In health, Sansiri is the main sponsor of the "Iodine Please" project. In education, Sansiri is the main contributor to the new "Sirmkla Foundation" providing luncheon programmes for needy schools. In sports, Sansiri operates "Sansiri Academy" to help train young footballers. In 2012, Sansiri will continue to make social contributions in its own special way.

In 2012 This year, Sansiri will continue to fulfil its commitment to bring quality products and services to meet demand in various segments of the market. We will remain faithful to the brand and believe that, we can deliver stable future growth.

On behalf of Sansiri Public Company Limited, I would like to convey my appreciation to the shareholders, debenture holders, customers, financial institutions, members of the press and business partners for their support towards Sansiri's success. I would also like to thank the board of directors, executives and staff for their total dedication and commitment to their duties, making Sansiri such a prosperous developer it is today.



Kovit Poshyananda
Chairman





CHIEF EXECUTIVE OFFICER'S MESSAGE

Although the flooding in 2011 had a devastating effect to most part of Thailand, Sansiri still managed to pull through with the earnings growth from 2010, as we successfully moved to cover more products in more segments. Despite shifting all the new launches planned for the last quarter of 2011, Sansiri still recorded 21,792 million baht annual presales. With our overwhelming success in our first project launch in Phuket, we are confident that we can also expand into other provinces in the future.

Our commitment to be the leading developer of aesthetic houses with highest quality to meet ever-changing demands, Sansiri is also dedicated to continue to improve our profitability. We manage our cost by efficiently balancing our inventory control, effective raw material procurement as well as initiating new construction methods to shorten our construction cycles. In the first quarter of 2012, our pre-cast factory will come on stream which will further enhance our capacity and profitability.

Throughout to the flooding crisis, Sansiri and its staff worked around the clock to best protect the project at risk as well as providing reliefs to projects that unavoidably had fallen victim to the flood. And once the water subsided we once again put our best effort to return these projects to normal as soon as humanly possible. Sansiri would like to thank all our staff who had made this dedication, especially those that fell victim themselves yet continued to assist wholeheartedly.

In 2011, Sansiri reported the total revenue of 20,681 million baht, 10% growth over 2010, with a net profit of 2,015 million baht, representing earnings per share of 0.29 baht. Ninety-six percent of the total revenue is contributed from revenue from projects sale, 19,769 million baht. Of the total revenue from project sale in 2011, 9,299 million baht (47 %) derived from condominium projects, 7,099 million baht (36 %) from single-detached house projects, and the balance of 3,372 million baht (17 %) from townhouse projects.

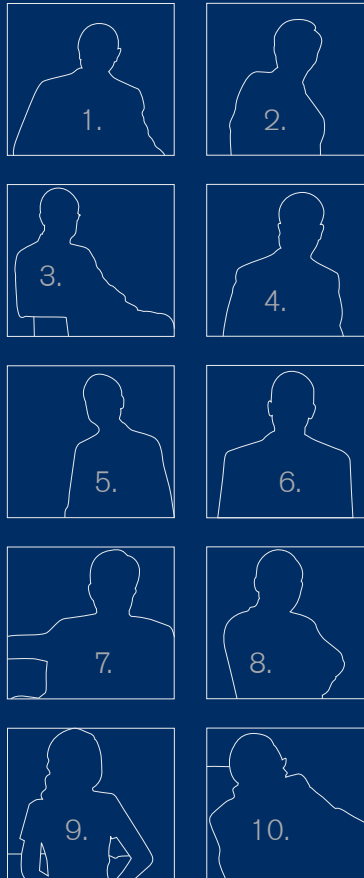
For 2012, Sansiri believes it will continue to grow in line with economy. On behalf of all the management and staff, we pledge total dedication to keep Sansiri as a forefront developer in Thailand, as well as a major contributor to Corporate Social Responsibility activities in line with our sustainable development in the future.



Apichart Chutrakul
Chief Executive Officer

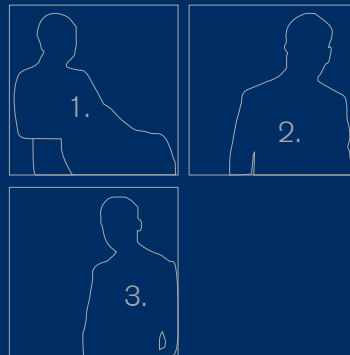


BOARD OF DIRECTORS



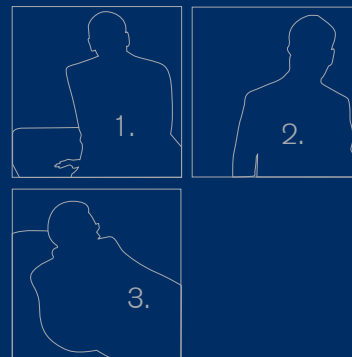
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|--|--------------------------------------|
| 1. Chairman of the Board
(Independent Director) | Mr. Kovit Poshyananda |
| 2. Vice-Chairman / Chief Executive Officer | Mr. Apichart Chutrakul |
| 3. Independent Director | Mr. Mana Noppun |
| 4. Independent Director | Mr. Jesadavat Priebjivat |
| 5. Independent Director | Mr. Wirat Uanarumit |
| 6. Director / President | Mr. Srettha Thavisin |
| 7. Director / Chief Operating Officer | Mr. Wanchak Buranasiri |
| 8. Director | Mr. Kriengkrai Thiennukul |
| 9. Director | Mrs. Nujchanart Panthawangkun |
| 10. Independent Director | Mr. Porntat Amatavivadhana |

AUDIT COMMITTEE



- | | |
|------------------------------------|----------------------------------|
| 1. Chairman of the Audit Committee | Mr. Mana Noppun |
| 2. Member of the Audit Committee | Mr. Jesadavat Priebjrivat |
| 3. Member of the Audit Committee | Mr. Wirat Uanarumit |

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)



1. Chairman of the CSR Committee
2. Member of the CSR Committee
3. Member of the CSR Committee

Mr. Srettha Thavisin

Mr. Jesadavat Priebjivat

Mr. Porntat Amatavivadhana

REPORT ON CORPORATE GOVERNANCE BY THE AUDIT COMMITTEE FOR THE YEAR 2011

Sansiri Public Company Limited (“the Company”) regards corporate governance as a system essential to the processes and structure of leadership and control. It facilitates responsibility for one’s position through transparency and enhances corporate competitiveness as a mean to preserving capital and adding value to shareholders’ equity in the long term. Corporate governance is a code of business ethics that protects all stakeholders and society as a whole. To this end, the Company has established an Audit Committee, which is composed of qualified individuals who are independent directors of the Company, acting freely from the Management’s control and the major shareholder’s control. All members possess the qualifications stipulated by the Stock Exchange of Thailand. Presently, the Audit Committee is composed of Mr. Mana Noppun as a Chairman of the Audit Committee with other two members, Mr. Jesadavat Priebjivat and Mr. Wirat Uanarunit.

The Audit Committee performs the tasks assigned to it by the Board of Directors. It acts independently, however, and is unconstrained in its access to information and always receives good co-operation from the Company, in conformity to regulations of the Stock Exchange of Thailand. In 2011 the present Audit Committee met four times, in which the Chairman and all members of Audit Committee have attended all meetings in full. Moreover, the Audit Committee also consulted with the Management, the internal audit officer, and the independent auditor as deemed appropriate. Meetings with the internal audit officer and the independent auditor were free of direction from the Management.

The Audit Committee has not only supported the Board of Directors to perform its duties and responsibilities, but also closely monitored to ensure the good corporate governance. The findings of the Audit Committee are summarised as follows:

1. REVIEW OF FINANCIAL STATEMENTS

Prior to submission of quarterly and annual financial statements that were reviewed and audited by the independent auditor to the Board of Directors for approval; the Audit Committee had reviewed these statements based on its queries and explanations provided by the Management. The review shows that these financial reports were in conformity to generally accepted accounting principles as well as provided sufficient disclosure of accurate and reliable information in the timely manner without any significant adjustment from auditor during or after the reviews.

2. REVIEW OF INTERNAL CONTROL SYSTEM

The Audit Committee, in cooperation with the internal audit officer, has not only regularly reviewed the Company's internal control system in order to assess the effectiveness and sufficiency of the system, but also has made suggestions on improving effectiveness. The review shows that the Company's internal control system is sufficient, appropriate and being regularly updated to cope with the changing environment and serve the business operations to achieve the objectives while conforming to the pertinent regulations. The Audit Committee did not find any significant constraints or deficiency leading to impediment to business operations. In addition, the Audit Committee has emphasised that the Management must continue improving the internal control system to be highly effective at all times.

3. REVIEW OF DISCLOSURE OF CONNECTED TRANSACTIONS AND POTENTIAL CONFLICTS OF INTEREST

Prior to the approval by the Board of Directors for any connected transactions and potential conflicts of interest, the Audit Committee had reviewed and commented on such transactions to ensure the transparency and conformity to the rules and regulations of the Stock Exchange of Thailand. In this regard, the Audit Committee did not find any significant issues regarding the violation of the regulation of Stock Exchange of Thailand concerning connected transactions or any potential conflicts of interest.

4. COMPLIANCE WITH LAWS AND REGULATIONS

The Audit Committee had reviewed the processes and procedures to ensure compliance with regulations regarding securities and the Stock Exchange of Thailand, guidelines by the Stock Exchange of Thailand, and other related business acts. The review shows that the Company has always acted in compliance with laws and regulations. In this regard, the Audit Committee did not find any significant issues regarding the violation of regulations, guidelines, and obligations with any external parties.

5. OVERSEEING AND MONITORING THE INTERNAL CONTROL MATTERS

The Audit Committee, in cooperation with the internal audit officer, has reviewed the report on internal control matters on quarterly basis. The information technology system was also continuously developed and fully utilised to support the auditing work. The review shows that the internal control was conducted in the independent, sufficient, and effective manners with the sufficiently elaborate information security safeguards. Moreover, the summary of findings and the guidelines to prevent or mitigate any potential risks were sent to the involved parties for their further actions.

6. GOOD CORPORATE GOVERNANCE

The Company realises the importance of good corporate governance and has focused our operations to ensure the efficiency, transparency, and good business ethics, resulting in our integrity known among shareholders, investors, and all parties involved.

7. SELECTING, APPOINTING AND PROPOSING REMUNERATIONS FOR THE AUDITOR

The Audit Committee has reviewed the performance, the independency and the appropriation of the remunerations of the auditor, and agreed to continue the appointment of Ernst & Young Office Limited as the Company's auditor for the accounting period ended 31 December 2012. The appointment of auditor will be proposed for further approval at the Annual General Meeting 2012.

A SUMMARY REVIEW BY THE AUDIT COMMITTEE

In 2011, the Audit Committee had fully utilised its expertise and capabilities without any constraints in its access to information from the directors, the Management, employees, and all involved parties, to independently perform its duties as appointed by the Board of Directors.

Considering the overall operations of the Company, the Audit Committee is convinced that the Company adheres to good business ethics, that the Board of Directors and the Management have determined to professionally perform their duties to successfully run the Company and achieve corporate goal as planned, that the reports on financial information and operation are correct, that its internal control systems and internal audit systems are effective, that its risk management systems are sufficiently protective, that its corporate governance is based on the principles including transparency, integrity, accountability, competitiveness, and credibility, and that its financial reports are in conformity to generally accepted accounting principles with sufficient disclosure of accurate and reliable information. The Company has always acted in compliance with all related regulations. The Audit Committee also believes that the Company has shown strong determination to continuously improve its operational processes, leading to the transparent and effective management with good corporate governance. Thus, the Management's performances could be examined to ensure the best interest of all stakeholders.

On behalf of the Audit Committee,



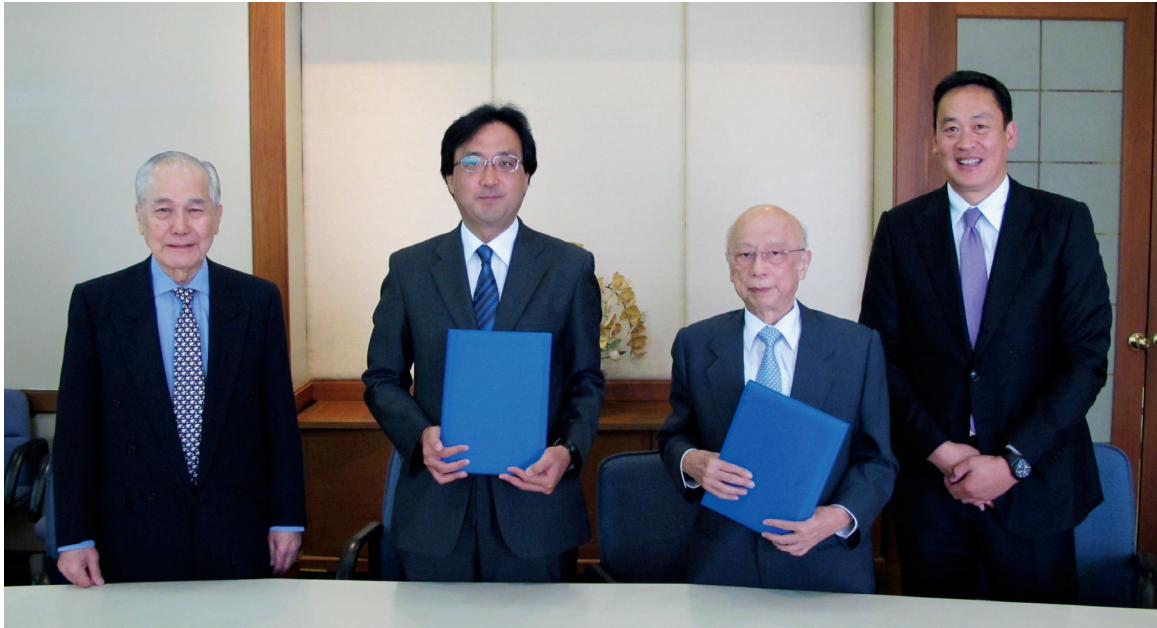
Mr. Mana Noppun
Chairman of the Audit Committee
27 February 2012



SANSIRI – SOCIAL CHANGE (CORPORATE SOCIAL RESPONSIBILITY) BUILDING THE FUTURE FOR CHILDREN

Sansiri believes that “Children are Everyone’s Business” and the business community should give back to society. Our Corporate Social Responsibility (CSR) programmes focus on children because they are our future. By putting children first, we are contributing to a better future for everyone. The three key areas of our emphasis on the development of children’s well being are health, education and sport.

In 2011, Sansiri is further intensifying the focus on children in our long-term partnership with UNICEF, Thailand under a three-year Memorandum of Understanding. The UNICEF-Sansiri partnership is a part of our ongoing and comprehensive approach to improve the well being of children in Thailand. Sansiri-Social Change is a new approach to Corporate Social Responsibility, which emphasises a full commitment of a business organisation in planning and implementing CSR programmes in an inclusive, long-term and sustainable way. The UNICEF-Sansiri partnership is the largest and most comprehensive cooperative programme between UNICEF and a business entity in Thailand. It testifies to Sansiri’s belief that paving a way towards a better future for children is like building a home. It takes vision, commitment and responsibility.



(From left to right) Anand Panyarachun, the former Prime Minister and UNICEF Thailand Goodwill Ambassador, Tomoo Hozumi, UNICEF Thailand Representative; Kovit Poshyananda, Sansiri’s Chairman; and Srettha Thavisin, Sansiri’s President, at the UNICEF-Sansiri Memorandum of Understanding signing ceremony.

Iodine Please

The “Iodine Please” campaign is Sansiri’s drive to improve children’s health. It aims to raise public awareness of Iodine Deficiency Disorders (IDD) and to persuade manufacturers in the food industry to use iodised salt. Sansiri and UNICEF have actively campaigned for the Universal Salt Iodisation (USI) and use of iodised salt in all food products. The regulation on iodised salt came into effect on 1 January 2011.

Sansiri continues to be the leading force in the “Iodine Please” campaign because we know that Iodine Deficiency Disorders are a pressing health issue both in Thailand and worldwide. In 2009, 90% of newborn babies in Thailand had Iodine Deficiency. It is also prevalent in 110 countries worldwide. Iodine is essential to the development of the brain. Iodine Deficiency has also been linked to lower IQ in children. Children with IDD will never reach their full mental and physical development. The damaging effects of Iodine Deficiency in small children and pregnant mothers can be prevented by the consumption of iodised salt. That is why Sansiri, UNICEF and the Ministry of Health are cooperating in the campaign against IDD.

Sansiri was awarded Best CSR Practice across Southeast Asia in 2011 by the Asia Responsible Entrepreneurship Awards (AREA) for its “Iodine Please” campaign. AREA recognises Asian businesses that champion sustainable and responsible entrepreneurship and the organisational efforts that create a culture of compassion and integrity.

Education

At Sansiri we believe that education is the key to a better future for children. Equal opportunity for education for all children is what we are striving towards. Sansiri has offered scholarships to underprivileged children and maintains this support until they graduate. Each year, we are hosting field trips for children in foster care organisations in order to enhance their learning experience.

UNICEF estimates that there are over 600,000 children aged 6-11 years old who are out of school or enrol in primary school late. The Education for All Global Monitoring Report 2010, UNESCO, reports that over 40% of 15-year-old students in Thailand are at level 1 or below of reading proficiency. Low reading proficiency indicates that young people have serious difficulty using their literacy to further their knowledge and skills in other areas. The same report also states that in the past five years, almost 300 schools in the three southernmost provinces of Thailand – Pattani, Yala and Narathiwat – were severely affected by local political conflicts. Such information prompted Sansiri to further intensify our focus on education.

Earlier this year, Sansiri joined UNICEF in visiting schools in remote areas of Mae Hong Son and Chiang Mai, northern Thailand. UNICEF-Sansiri team aimed to comprehensively help marginalised children in these areas to access education and to improve the quality of education under the theme “Sustainable, Universal Education”. It is Sansiri’s mission to make universal education happen in a sustainable way.

Sansiri is actively implementing social media and online applications in our campaigns for universal education. The “Jai laek jai” (heart for heart) campaign enables Sansiri, Sansiri residents and the public to join forces in providing education opportunities and fundraising for children in the southernmost part of the country.

With education in mind, Sansiri’s ongoing support of underprivileged children will always be our mission.

Sansiri Academy

Sansiri Academy was established in 2006 to offer free football training for children every weekend. Our priorities are to provide equal participation in sport for all children, to foster team spirit and discipline and to help them develop their potential.

Sansiri’s training team comprises professional football coaches with B and C Licenses including the Thai national team’s former members. They train, guide and inspire the young players. Children aged 7-15 years old can take advantage of our professional football training and the high standard of our facilities. The five facilities are in Phutthamonthon, Ram-indra, Prachachuen, Bangna and Aksa. Currently, there are over 2,500 children taking part in activities at the Sansiri Academy.

Sansiri also facilitates the entry of potential football stars into schools with strong football programmes such as Assumption Thonburi School.

Five years of experience give Sansiri Academy the confidence to start the focus programme “Sansiri Academy Pro”. The programme selects the top 25 players in the Academy to advance their skills in an intensive course and to audition for the Thai national youth team. One member of Sansiri Academy Pro is now in the team.

Social Initiative Campaigns

Other than the health, education and sport campaigns earlier mentioned, Sansiri also encourages our employees and Sansiri residents to participate in social initiatives in order to create a culture of compassion in communities and the business environment. The UNICEF-Sansiri partnership places children at the top of the corporate responsibility agenda. Sansiri hopes to show that child-friendly business practices are the way forward for the sustainable development of both a business organisation and society.

Sansiri and UNICEF are implementing pilot projects that exemplify child-friendly business practices. Those practices include the following

- Boycotting child labour in all areas of Sansiri's business activities
- Protecting maternity and parental rights in the workplace by offering maternity courses and allowing generous maternity leave. Sansiri also provides space for postnatal mother such as a breastfeeding room, hygienic breast-milk storage facilities and also an in-house nursery and children's playroom for employees in the Siripinyo and Ratchapak offices who need to bring their children to work. Sansiri creates a family-friendly environment for our employees.

Sansiri's support for children also extends to those effected by natural disasters both in Thailand and worldwide. In 2011, we donated US\$1 million to assist UNICEF programmes.

UNICEF-Sansiri Partnership for Children

Tomoo Hozumi

Representative, UNICEF Thailand Country Office

More and more companies have been giving importance to the concept and practice of "Corporate Social Responsibility" over recent years, and it is no longer rare to find companies that are willing to contribute their own resources to support various development projects and activities for selected areas or populations in Thailand. UNICEF, as one of the organisations promoting social development in Thailand, greatly appreciates these efforts by the private sector.

At the same time, it is still rare to find corporate partners that are willing to address "big picture" social issues outside the immediate realm of their businesses, such as long-standing nutritional deficiencies affecting children's development or improving the country's education system. This is exactly the focus of the UNICEF-Sansiri Partnership for Children, and that is why it merits the special attention of the wider business community.

Last year, Sansiri and UNICEF worked together to successfully advocate for legislation that will help ensure Thai people consume sufficient amounts of iodine, an essential nutrient which is needed for the optimum physical and mental development of children. This year, UNICEF and Sansiri will embark on a campaign to promote access to a quality basic education for all children in Thailand.

In addition, in the spirit of “walking the talk”, last year Sansiri reviewed its work environment and work processes to ensure that they reflected respect for child rights and were in line with child-friendly business practices. As a result of the review, Sansiri established breastfeeding facilities and a children’s play room at its workplace and is now enforcing an explicit ban on child labour at all of the company’s construction sites and by its suppliers.

While these efforts demonstrate Sansiri’s full commitment to ensuring the development of children in Thailand, the company is also contributing to efforts to help children in other countries who are affected by natural calamities and man-made disasters by providing support to UNICEF’s emergency programmes globally.

This “dual track” support for children in Thailand and globally is another unique feature of the UNICEF-Sansiri collaboration, and Sansiri can be considered a true pioneer in this sense. Given Thailand’s continued economic development and its upper middle-income status, I am confident that the example Sansiri has set in showing how far the private sector in Thailand has come in contributing to both local and global solutions will be followed by other socially responsible companies.




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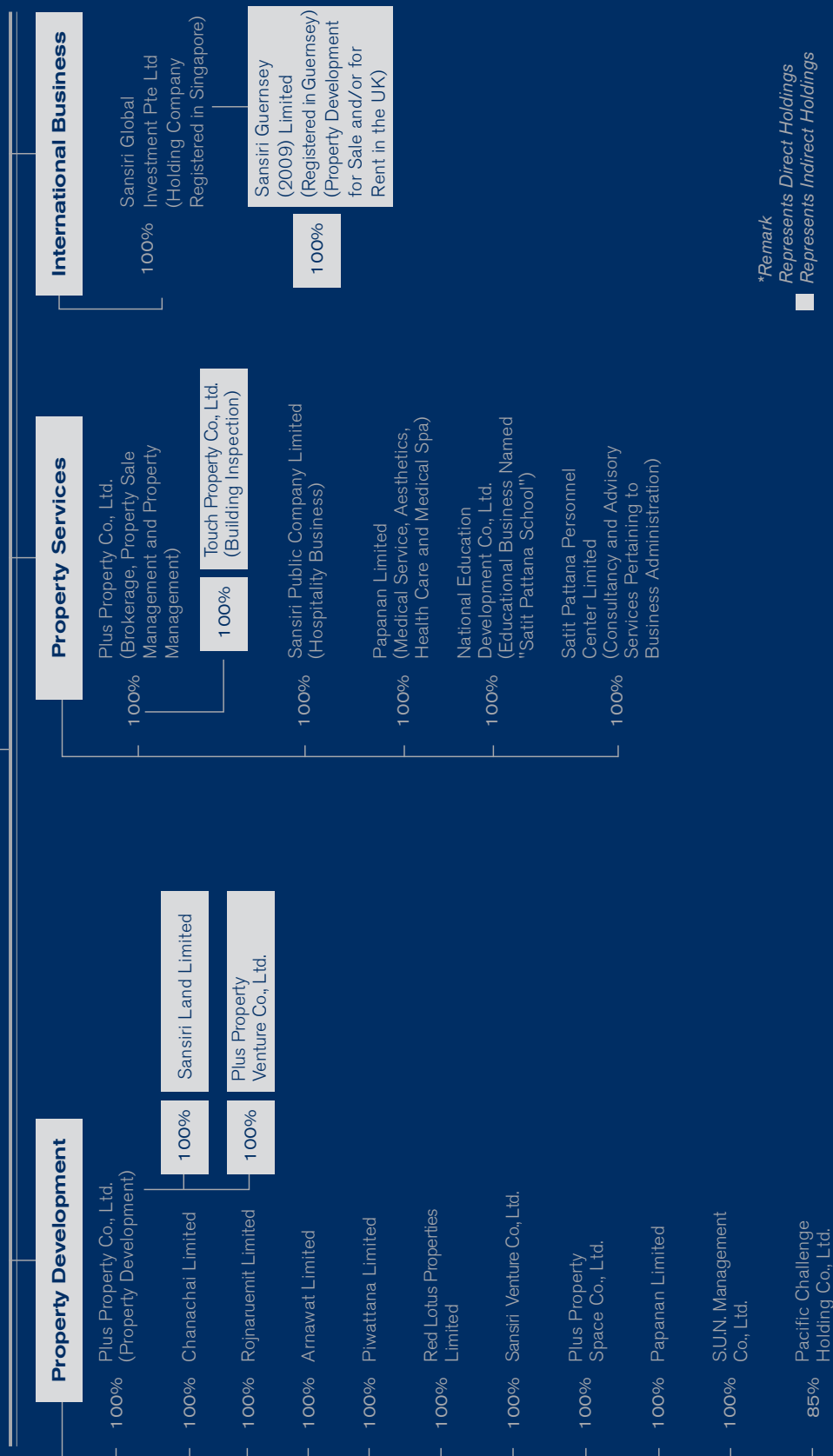
รากฐานที่ดีเริ่มต้นที่บ้าน
อนาคตที่ดีเริ่มต้นที่โรงเรียน

แสนสิริสนับสนุนการขุดิแรงงานเด็กในสถานที่ก่อสร้าง

sansiri.com THE GOOD LIFE


IODINE PLEASE
 หยุดทำร้ายเด็กไทยด้วยเกลือขาดไอโอดีน

INVESTMENT STRUCTURE OF SANSIRI GROUP



*Remark
Represents Direct Holdings
Represents Indirect Holdings

GENERAL INFORMATION OF THE COMPANY AND ITS SUBSIDIARIES

Sansiri Public Company Limited (the “Company” or “Sansiri”), registration number 0107538000665, with the security symbol “SIRI” on the Stock Exchange of Thailand, was established in 1984 to engage in real estate business. The Company converted to be a public company limited in 1995 and has been listed on the Stock Exchange of Thailand since 1996.

As at 31 December 2011, the Company’s registered capital was 11,641,589,650.96 baht consisting of 10,879,990,328 ordinary shares at the par value of 1.07 baht, with issued and paid-up capital of 7,546,954,443.64 baht.

The Company’s head office is located at 16th Floor, 475 Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400.

Telephone number (662) 201-3905-6

Facsimile (662) 201-3904

Home page www.sansiri.com

The Company’s subsidiaries are as follows:

(As of 31 December 2011)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
<u>Chanachai Limited</u>			
475 Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	90,000,000 baht by divided into 90,000 ordinary shares with a par value of 1,000 baht each	100

(As of 31 December 2011)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
<u>Rojnaruemit Limited</u> 12th Floor, 475 Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	680,000 baht by divided into 108,800 ordinary shares with a par value of 6.25 baht each	100
<u>Arnawat Limited</u> 12th Floor, 475 Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 306-8000 Fax. (662) 306-8029	Property Development	10,000,000 baht by divided into 1,000,000 ordinary shares with a par value of 10 baht each	100
<u>Piwattana Limited</u> 10th Floor, 475 Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 306-8000 Fax. (662) 306-8029	Property Development	100,000,000 baht by divided into 10,000,000 ordinary shares with a par value of 10 baht each	100
<u>Red Lotus Properties Limited</u> 16th Floor, 475 Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	20,000,000 baht by divided into 2,000,000 ordinary shares with a par value of 10 baht each	100

(As of 31 December 2011)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
<u>Sansiri Venture Co., Ltd.</u> 475 Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	3,000,000 baht by divided into 300,000 ordinary shares with a par value of 10 baht each	100
<u>S.U.N. Management Co., Ltd.</u> 16th Floor, 475 Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	10,000,000 baht by divided into 1,000,000 ordinary shares with a par value of 10 baht each	100
<u>Papanan Limited</u> 2/2, Bhakdi Building, Wireless Road, Lumpini Sub-district, Pathumwan District, Bangkok 10330 Tel. (662) 253-1010 Fax. (662) 253-9625	Property Development as well as Medical Service, Aesthetics, Health Care and Medical Spa	20,000,000 baht by divided into 2,000,000 ordinary shares with a par value of 10 baht each	100
<u>Plus Property Co., Ltd.</u> 10th Floor, 163 Rajchapark Building, Sukhumvit 21 (Asoke), North Klongtoey Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7555 Fax. (662) 661-6633	Property Development, Brokerage, Sale Management, Property Management	600,000,000 baht by divided into 60,000,000 ordinary shares with a par value of 10 baht each	100

(As of 31 December 2011)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
<u>Plus Property Space Co., Ltd.</u>			
12th Floor, 475 Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	2,500,000 baht by divided into 250,000 ordinary shares with a par value of 10 baht each	100
<u>National Education Development Co., Ltd.</u>			
380 Panya-Indra Road, West Samwa Sub-district, Klong Samwa District, Bangkok 10510 Tel. (662) 915-5390-2 Fax. (662) 915-5501	Educational Business named "Satit Pattana School"	40,000,000 baht by divided into 400,000 ordinary shares with a par value of 100 baht each	100
<u>Satit Pattana Personnel Center Limited</u>			
380 Panya-Indra Road, West Samwa Sub-district, Klong Samwa District, Bangkok 10510 Tel. (662) 915-5390-2 Fax. (662) 915-5501	Consultancy and advisory services pertaining to business administration	1,000,000 baht by divided into 100,000 ordinary shares with a par value of 10 baht each	100
<u>Pacific Challenge Holding Co., Ltd.</u>			
2/2, Bhakdi Building, Wireless Road, Lumpini Sub-district, Pathumwan District, Bangkok 10330 Tel. (662) 253-1010 Fax. (662) 253-9625	Property Development	2,500,000 baht by divided into 250,000 ordinary shares with a par value of 10 baht each	85

(As of 31 December 2011)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri indirectly holds shares through Plus Property Co., Ltd.			
<u>Sansiri Land Limited</u>			
11 th Floor, 475 Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	1,000,000 baht by divided into 100,000 ordinary shares with a par value of 10 baht each	100
<u>Touch Property Co., Ltd.</u>			
14 th Floor, 163 Rajchapark Building, Sukhumvit 21 (Asoke), North Klongtoey Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7555 Fax. (662) 661-6633	Building Inspection	5,000,000 baht by divided into 500,000 ordinary shares with a par value of 10 baht each	100
<u>Plus Property Venture Co., Ltd.</u>			
16 th Floor, 163 Rajchapark Building, Sukhumvit 21 (Asoke), North Klongtoey Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7555 Fax. (662) 661-6633	Property Development	10,000,000 baht by divided into 1,000,000 ordinary shares with a par value of 10 baht each	100

(As of 31 December 2011)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in overseas countries in which Sansiri directly holds shares			
<u>Sansiri Global Investment Pte. Ltd.</u>			
(Registered in Singapore) 3 Phillip Street #18-00 Commerce Point Singapore (048693)	Holding Company	50,000 Singapore Dollars by divided into 50,000 ordinary shares	100
Subsidiaries in overseas countries in which Sansiri indirectly holds shares through Sansiri Global Investment Pte. Ltd.			
<u>Sansiri Guernsey (2009) Limited</u>			
(Registered in Guernsey) La Tonnelle House Les Banques St Sampson Guernsey GY1 3HS	Real estate development for sale and lease in United Kingdom	10,000 Pound by divided into 10,000 ordinary shares	100

OTHER REFERENCES

Securities Registrar

Thailand Securities Depository Co., Ltd.

62 The Stock Exchange of Thailand Building,

Rachadapisek Road, Klongtoey, Bangkok 10110, Thailand

Telephone : (662) 229 2800

Facsimile : (662) 654 5427

TSD Call center : (662) 229 2888

E-mail : TSDCallCenter@set.or.th

Website : <http://www.tsd.co.th>

The Auditor

Ernst & Young Office Limited

33rd Floor, 193/136-137, Lake Rajada Office Complex,

Rachadapisek Road, Klongtoey, Bangkok 10110, Thailand

Telephone : (662) 264 0777

Facsimile : (662) 264 0790

TYPE OF BUSINESS

Operational Structure of the Company and Subsidiaries

Sansiri Group is made up of Sansiri Public Company Limited as a parent company with a broad range of eighteen subsidiaries, fourteen of which are directly held by Sansiri Public Company Limited while four of which are indirectly held through the subsidiaries. Currently, core business of Sansiri Group could be summarised as follows:

1. **Property Development** consists of:

- 1.1 **Property Development for Sale** includes single-detached house, detached house, townhouse, and condominium projects, being operated through:

Property Development for Sale

Company Name	Divisions of Operations within the Group
1. Sansiri Public Company Limited	Development of single-detached house, townhouse, and condominium projects for all customer groups as well as the operating precast factory
2. Plus Property Company Limited	Development of townhouse projects for middle income consumers
3. Piwattana Limited	Development of single-detached house, detached house, condominium and townhouse projects for middle and low income consumers
4. Red Lotus Properties Limited	Development of single-detached house, townhouse and condominium projects for high and middle income consumers
5. Arnawat Limited	Development of single-detached house, detached house, townhouse and condominium projects for middle and low income consumers
6. Sansiri Land Limited	Development of townhouse projects for middle income consumers

Property Development for Sale

Company Name	Divisions of Operations within the Group
7. Plus Property Space Company Limited	Development of condominium and single-detached house projects for high and middle income consumers
8. Chanachai Limited	Development of single-detached house, townhouse and condominium projects for high and middle income consumers
9. Papanan Limited	Development of single-detached house and condominium projects for middle and low income consumers

1.2 Property Development for Rent includes office buildings and leasehold commercial building

Property Development for Rent

Company Name	Divisions of Operations within the Group
1. Papanan Limited	Investment in office building with monthly rental fee in return
2. Pacific Challenge Holding Company Limited	Investment in office building with monthly rental fee in return
3. S.U.N. Management Company Limited	Development of commercial building for leasehold agreement

2. Property Services consist of:

Company Name	Divisions of Operations within the Group
1. Plus Property Company Limited	Property and asset management, property brokerage services, property sales management, property development consultancy, and property management
2. Touch Property Company Limited	Building inspection
3. Sansiri Public Company Limited	Hotel business development, generating recurring income to the total revenues
4. Papanan Limited	Medical spa services under the brand "S Medical Spa"
5. National Education Development Limited	Educational business under the name "Satit Pattana School"
6. Satit Pattana Personnel Center Limited	Personnel management for Satit Pattana School

3. International Investment consists of:

Company Name	Divisions of Operations within the Group
1. Sansiri Global Investment PTE LTD	Offshore investment in property development for sales and/or for lease/rent
2. Sansiri Guernsey (2009) Limited	Property development for sale and/or for lease/rent in the United Kingdom

REVENUE STRUCTURE

Revenue structure classified by business groups during 2009–2011, is as follows:

Products/ Services	Operated by	% Shares held by Sansiri	Year Ending 2011		Year Ending 2010		Year Ending 2009	
			Million Baht	%	Million Baht	%	Million Baht	%
1) Property Development								
<u>Property for sale</u>								
- Single-detached house	SIRI, PP, RED, CC	- , 100, 100, 100	7,099	34.3	6,788	36.2	5,341	33.4
- Townhouse	PLUS, PPV, CC	100, 100, 100	3,372	16.3	3,081	16.4	2,648	16.6
- Condominium	SIRI, PLUS, CC, SV	- , 100, 100, 100	9,299	45.0	8,000	42.7	7,115	44.5
<u>Property for rent</u>								
- Projects for rent	SIRI, CC, PCH	- , 100, 85	113	0.5	156	0.8	186	1.2
- Leasehold rights written off	CC, SUN	100, 100	43	0.2	43	0.2	43	0.3
2) Property Services	SIRI, PLUS, TOUCH, PPN, NED, SPC	- , 100, 100, 100, 100 , 100	616	3.0	527	2.8	491	3.1
3) Other Revenues								
- Interest income			26	0.1	23	0.1	14	0.1
- Revenue from common property charges			64	0.3	54	0.3	48	0.3

Products/ Services	Operated by	% Shares held by Sansiri	Year Ending 2011		Year Ending 2010		Year Ending 2009	
			Million Baht	%	Million Baht	%	Million Baht	%
- Revenue from forfeiture of down payment and changed contract fee			25	0.1	42	0.2	56	0.4
- Other income			25	0.1	40	0.2	30	0.2
Total Revenue			20,681	100.0	18,755	100.0	15,972	100.0
% increase (decrease) in revenue			10.3		17.4		29.2	

<i>Remark</i>	-	<i>SIRI</i>	<i>means</i>	<i>Sansiri Public Company Limited</i>
		<i>PLUS</i>	<i>means</i>	<i>Plus Property Company Limited</i>
		<i>CC</i>	<i>means</i>	<i>Chanachai Limited</i>
		<i>SV</i>	<i>means</i>	<i>Sansiri Venture Company Limited</i>
		<i>PP</i>	<i>means</i>	<i>Piwattana Limited</i>
		<i>RED</i>	<i>means</i>	<i>Red Lotus Properties Limited</i>
		<i>PPV</i>	<i>means</i>	<i>Plus Property Venture Company Limited</i>
		<i>PCH</i>	<i>means</i>	<i>Pacific Challenge Holding Company Limited</i>
		<i>SUN</i>	<i>means</i>	<i>S.U.N. Management Company Limited</i>
		<i>TOUCH</i>	<i>means</i>	<i>Touch Property Company Limited</i>
		<i>PPN</i>	<i>means</i>	<i>Papanan Limited</i>
		<i>NED</i>	<i>means</i>	<i>National Education Development Limited</i>
		<i>SPC</i>	<i>means</i>	<i>Satit Pattana Personnel Center Limited</i>
				<i>(Formerly known as "Club House Property Limited")</i>

MILESTONE DURING THE YEAR

May 2011

- Dividend payment for the 2010 operating results with details as follows:
 1. To pay stock dividend to the existing shareholders of the Company in the number of 250,993,282 shares, with the par value of 4.28 baht per share at the ratio of 6 existing shares per 1 stock dividend, equivalent to the payment of 1.061775 baht per share.
 2. To pay dividend in cash at the rate of 0.117975 per share in order to cover the payment of withholding tax at the rate of 10 percent.

The Shareholder had received both stock dividend and cash dividend totaling 1.17975 baht per share.

September 2011

- The Extraordinary Meeting of Shareholders No. 1/2011 held on 27 September 2011 has passed the resolution to approve the change of par value of the Company's ordinary share from 4.28 baht per share to 1.07 baht per share (splitting 1 existing share with par value of 4.28 baht per share to 4 new shares with par value of 1.07 baht per share).

Additionally, the Meeting has approved the Company to adjust the rights of the warrants issued under the SIRI-W1, ESOP # 5 and ESOP # 6 in order to preserve the interest of the warrant holders in accordance with the terms and conditions of the respective warrant scheme, by splitting the said warrants from 1 existing unit to 4 new units according to the change of par value of the Company's shares. In this regard, the exercise ratio would remain unchanged, resulting, i.e. 1 unit of warrant is entitled to purchase 1.167 ordinary shares, but the exercise price per one ordinary share is changed with details as follows:

1. The exercise price of SIRI-W1 is changed from the existing 4.457 baht per share to 1.114 baht per share.
2. The exercise price of ESOP # 5 is changed from the existing 4.286 baht per share to 1.072 baht per share.
3. The exercise price of ESOP # 6 is changed from the existing 4.457 baht per share to 1.114 baht per share.

October 2011

- The change in par value of “SIRI” and adjustment of the number and exercise price of “SIRI-W1” became effective on 10 October 2011 as summarised below:

- Old par value (baht)	:	4.28
- New par value (baht)	:	1.07
- Security (Warrant)	:	SIRI-W1
- Number of securities (Old)	:	736,792,026
- Number of securities (New)	:	2,947,168,104
- Old exercise price (baht per share)	:	4.457
- New exercise price (baht per share)	:	1.114

TYPE OF PRODUCTS AND SERVICES

Core operation of Sansiri Group is divided into two businesses (1) Property Development, and (2) Property Services. The detailed descriptions of each product and service category are as follow:

1. Property Development

1.1 Property Development for Sale

Product Type	Price Range	Average Price	Current Projects	
Single-Detached House / Detached House	High-End	> 10.10 million baht per unit	Narasiri Hideaway	
	Medium-End	5.10 – 10.10 million baht per unit	Setthasiri Ratchapruek-Charun	
			Setthasiri Watcharapol	
			Setthasiri Srinagarindra-Rama IX	
			Setthasiri Chaiyapruek-Changwattana	
			Burasiri Ngamwongwan-Prachachuen	
			Burasiri Onnuch-Bangna	
	Low-End	2.51 – 5.10 million baht per unit	Saransiri Phaholyothin-Saimai	
	Townhouse / Home Office	High-End	> 7.10 million baht per unit	Habitia Panyaindra 2
		Medium-End	3.10 – 7.10 million baht per unit	Habitia Watcharapol
Residence Sukhumvit 65				
B Square Rama IX-Mengjai				
B Avenue Watcharapol				
Town Avenue Rama II Soi.30				
Town Avenue Srinagarindra				
Low-End		1.20 – 3.10 million baht per unit	Town Avenue Rama IX	
			Habitown Watcharapol	
	V Village			

Product Type	Price Range	Average Price	Current Projects
Condominium	High-End	> 100,000 baht per sqm.	Quattro by Sansiri
			PYNE by Sansiri
			KEYNE by Sansiri
			Via 49
	Medium-End	60,000-100,000 baht per sqm.	Via BOTANI
			WYNE Sukhumvit
			CEIL by Sansiri
			ONYX Phaholyothin
	Low-End	40,000-60,000 baht per sqm.	TEAL Sathorn-Taksin
			Baan Sankraam
			The BASE
			dcondo Ramkamhaeng
			dcondo Ramindra
			dcondo Kathu

Sansiri has developed products for sale in various types such as single-detached houses, detached houses, townhouses, home offices, and condominiums, under different brands to serve customers' needs in all segments. All products are focusing on high quality to meet Sansiri standards. In 2011, Sansiri focused more on launching projects in high-end segment and expanded into prime resort areas, in addition to developing projects in the business district with close proximity to the sky train and underground train routes. The single-detached house project named "Narasiri Hideaway" with average price of 15 million baht per unit and the townhouse project named "Residence Sukhumvit 65" with average price of 18 million baht per unit were launched during 2011. Sansiri has also launched home office project named "B Square Rama IX-Mengjai" with average price of 12 million baht per unit, serving the customers who need "live & work residence". Furthermore, Sansiri has penetrated into Phuket province in 2011 and has launched the first condominium project under dcondo brand named "dcondo Kathu" with average price per unit of 1 million baht. Our first project in Phuket area received a good response from customers and sold out within 2 to 3 weeks after launched.

1.2 Property Development for Rent

Sansiri has recurring income from properties for rent including two office buildings; Siripinyo Building and Bhakdi Building. Sansiri also has a leasehold commercial building in Silom area named “Sun Square Silom” and a leasehold residential building named “Baan Sansiri”.

2. Property Services

2.1 Property Services

Property Services business which provided by Plus Property Company Limited (“Plus”) suitably complements to Sansiri’s core business - property development for sale, by not only creating customers’ satisfaction of fully-integrated services but also expanding its sources of recurring incomes and allowing it to capitalise upon its database to further improve its property development projects corresponding to the market demand. Property Services business consists of three core services (1) Brokerage Service and Sales Management (2) Property Management; both Property Management for residential projects and Facility Management for commercial buildings. Currently, Plus manages over 158 residential and commercial projects covering the area of 3.76 million square meters (31 December 2011) and (3) Consultancy services for real estate which include the consulting services of project feasibility studies, market surveys and analysis, financial feasibility analysis, and the rehabilitation plan of derelict properties as well as building inspection service provided by Touch Property Company Limited.

2.2 Educational Business

Sansiri has operated a school under the name “Satit Pattana School” for recurring income, and creating opportunity to expand business and synergy to several of Sansiri’s property projects for sale located nearby.

2.3 Hotel Business

At present, Sansiri operates a 46-key hotel named “Casa del Mare” locating on the area of 3 Rai 2 Ngan and 51 Square Wah in Hua Hin District of Prachuap Kiri Khan province.

2.4 Medical Spa Business

Sansiri has operated medical spa business through its subsidiary, Papanan Limited under the brand “S Medical Spa”, locating at Bhakdi Building on Wireless Road. Furthermore, “S Medical Spa” expands business opportunity by launching “seaSpa”, a one-stop spa service center at Casa del Mare Hotel, in October 2007. It can be viewed that Sansiri has fully utilised its existing businesses to create synergy and truly add more value to hospitality business.

MARKET AND COMPETITION

1. Market

In 2011, Thailand's real estate sector has been continuously improved from 2010 mainly due to consumer's confidence in economic recovery and political stability. The implementation of economic stimulus packages by the government such as government's tax incentive measure for first home buyers, becoming effective in September 2011, also had a beneficial effect on the real estate sector. The negative factors including the upward trend of interest rate and the loan-to-value (LTV) measure announced by the Bank of Thailand had slightly affected the consumers' purchasing power in that the increase of loan interest rate was not high and the limitation on LTV was consistent with the current market practice. The LTV regulation limited 95 percent LTV for condominiums (became effective on 1 January 2011), and 90 percent LTV for single-detached houses and townhouses (became effective on 1 January 2012). Despite of the increasing interest rate, the government's financial institution provided low-interest rate housing loans with zero percent interest rate campaign for the first two years as an option for home buyers. Nonetheless, real estate sector had been slowdown in last quarter of 2011 following the flood that severely affected major cities including Bangkok and its vicinities. Several housing projects located in the flooded areas were unavoidably affected by the flood, leading to the postponement of launches and construction delay. In addition, the flood also negatively affected consumers' confidence and caused postponement of housing transfer. On the contrary, the psychological impact of the flood was beneficial to the condominium market as consumers were looking for condominiums as their flood-free second homes.

Competition in real estate sector in 2011 and in the future tends to increase. Large developers will have clear strategies to compete and will expand their businesses to cover all market segments. Medium and small developers have to adapt themselves in doing business in order to compete with large developers. The flood situation in the fourth quarter of 2011 also reflected the competitive advantage of large developers over the medium and small developers in after-sale services. Large developers were able to support and assist their customers in preventing their houses and assets as well as providing housing repair service after the flood. These services have created customers' satisfaction and positively affected the consumers' confidence in large developers leading to brand loyalty eventually. Experienced developers with strong brand recognition and successful track records are likely to gain not only market share, but also pricing power whereas marketing activities will help stimulate housing purchases.

2. Marketing Activities

In 2011, it was a year when Sansiri had significant marketing movements based upon concept of differentiating our products and services from those of its competitors, coupled with the desire to create Sansiri brand in the consumers' minds as a developer who not only constructed residences but also understood the consumers' lives in order to create products and services in response to a variety of demands for residences. These caused Sansiri to make a decision to change our logo at the beginning of the year. The new logo presents the meaning of the creation and movement up to the point superior than others, which is in line with business operations. In accordance with the expansion of various projects under Sansiri brand covering all product types and customer segments more than ever, along with presenting the unique quality of life of Sansiri family, Sansiri had launched marketing campaigns to boost corporate images and images of single-detached house, townhouse and condominium projects, in order to create consumer awareness about the quality of life of Sansiri as we offered to meet customers' every need.

"Life Comes Home" was a main campaign adopted by Sansiri to build the corporate images. Not only communications with consumers, Sansiri also focused on communications with our staff all year round, so as to make our staff understand their own duties to their best efforts, leading to offering the best things to the Sansiri customers.

For marketing activities of single-detached house projects, Sansiri presented the concept "Attention to Details" to reiterate the attention of every detail in every stage of the project development in every segment of Sansiri. Sansiri had developed the single-detached house projects under the concept of bringing the aspiration of each local culture and converting to the key characteristic of the residential projects harmoniously and differently.

The townhouse projects of Sansiri presented by the concept of "My World", showing that the residence is the most essential place for each person to create his/her private and happy world. As the residence is the place where one will be oneself in the best manner, Sansiri's townhouses are the residences which well understand this concept and have made available each unit of place to enable everyone to fully build his/her private world.

For the marketing activities of condominium project, Sansiri presented under the concept of "Vertical Living" which presents the lifestyle of living in unique and differentiated condominium projects as Sansiri, by reflecting through the image of living in Sansiri's projects which our concept can fulfil the happiness such as living in the room or common area, inclusive of society of the residents as well.

In this respect, all of the four main concepts mentioned above were conveyed in the form of advertising films, by broadcasting via television, theater, BTS Sky train, and cable TV. Additionally, there were a large number of media so utilised, such as publishing, billboard, and digital media, to build brand awareness, recognition, and understanding to consumers as intended by the marketing team.

Moreover, all of the four main concepts were continuously elucidated in the part of marketing activities and marketing communications of every project to emphasise the creation of differentiation and new attitudes in favor of consumers, which was to enhance Sansiri to be above the price competition and build the brand of Sansiri to be the brand which is most favorable among consumers. For other marketing activities, Sansiri continued taking such actions; for instance, customer relations activities. The form of activities is designed to reflect uniqueness of Sansiri's products and services; for example, Sansiri Home Care and Sansiri Family, which are the customer relations activities for the complete projects with residents. In addition to arranging outdoor activities, Sansiri conducted marketing activities in collaboration with business partners, inclusive of financial institutions, as well as other suppliers and service providers for the main purpose of promoting Sansiri's image which understands the lifestyle of customers in all around. Furthermore, Sansiri is also the leader on digital marketing and social media obviously. Sansiri continued being the first company in real estate sector who uses social media and online marketing. At present, the number of visitors visiting Sansiri's website has been increasing. The linkage between the brand "Sansiri" and consumers via social media is conducted all the times, causing a variety of its stories to be widely mentioned by word of mouth, free of any advertising charge whatsoever.

3. Summary of Property Market in 2011

Situation of Single-Detached House Market

The number of single-detached house supply in the latter half of 2011 amounted to 25,228 units from 431 projects, increased by 37 percent or 6,811 units from that of the latter half of 2010. An increase in housing supply significantly resulted from 4,264 newly launched units from 27 projects during the latter half of 2011 as well as cancellation by the customers and the postponement of several project launches by developers. Northeastern Bangkok area had the highest increasing rate of supply which increased by 1,576 units or 56 percent, compared to the second half of 2010, while Northern Bangkok area had the highest supply of 8,574 units or 34 percent of the total units supply in the latter half of 2011 as shown in Table 1. Major developers, including Pruksa Real Estate Public Company Limited, Sansiri Public Company Limited and Land & House Public Company Limited; have been competing more actively in single-detached house market.

Table 1 Number of Projects, Available for Sale Units, and Absorption Rate of Single-Detached Houses as of 2H2010 and 2H2011

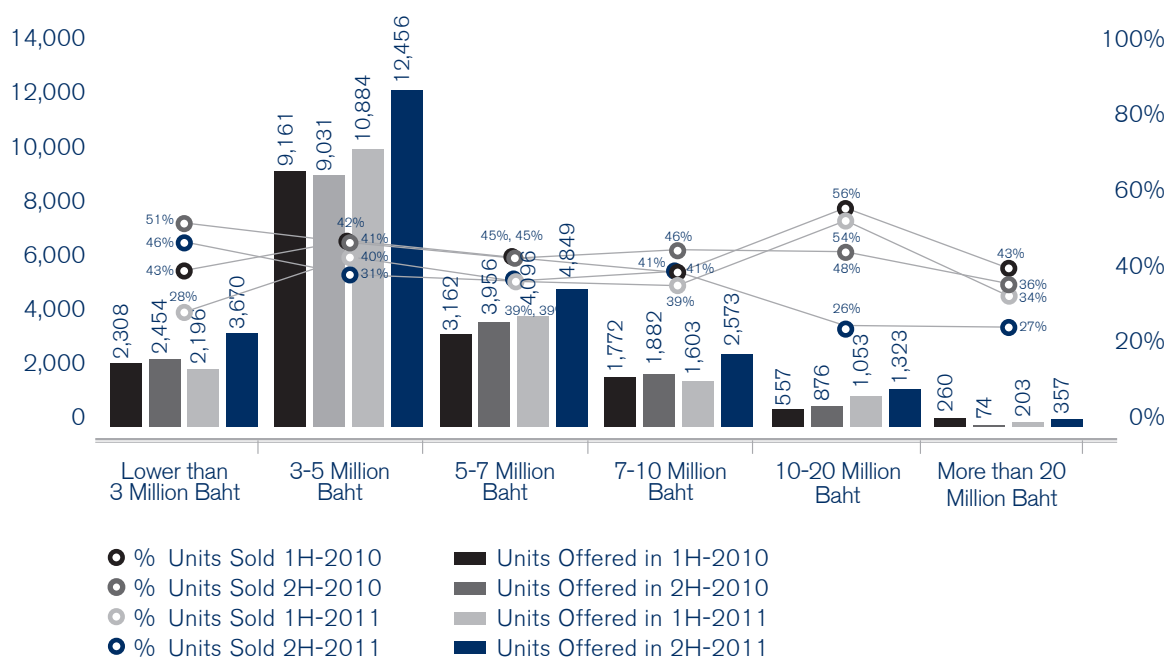
Area	2H-2010				2H-2011			
	Number of Projects	Total Units Offered	Total Units Sold	%Sold	Number of Projects	Total Units Offered	Total Units Sold	%Sold
Northern	122	5,878	2,755	47	123	8,574	3,165	37
Northeastern	58	2,832	1,399	49	61	4,408	1,881	43
Eastern	67	2,974	1,225	41	76	3,945	1,587	40
Western	107	4,570	2,141	47	118	5,819	1,944	33
Southern	46	2,163	809	37	53	2,482	433	17
Total	400	18,417	8,329	45	431	25,228	9,010	36

Source: Research & Development Department, Plus Property Co., Ltd.

In the second half of 2011, the number of sold units amounted to 9,010 units, a 9 percent decrease from the second half of 2010 and a 4 percent decrease from that of the first half of 2011. The main reason was due to the flood effect in the fourth quarter of 2011, forcing developers to postpone the sales while customers deferred making decisions to purchase houses. Based on housing supply in the latter half of 2011, single-detached

houses with average unit price of 3 to 5 million baht dominated the market with total available for sale of 12,456 units representing 49 percent of total units available for sale in the market, as a result of high demand in developing housing projects to serve low to medium customers. Besides, the single-detached houses with average unit price lower than 3 million baht had the highest absorption rate at 46 percent, due to units offered had met customers' needs as shown in Figure 1.

Figure 1 Absorption Rate and Units Offered of Single-Detached Houses in Bangkok and Vicinities by Price Levels



Source: Research & Development Department, Plus Property Co., Ltd.

Single-detached house market in the latter half of 2011 showed that the increase in supply did not match with units sold. Despite the support from Government, consumers' confidence was still low. It is expected to take at least 11 months to completely absorb the number of units outstanding. In addition, future trend of housing development will focus on security and ways to prevent flood, causing the average price to increase by 3 to 5 percent.

Situation of Townhouse Market

In the latter half of 2011, the number of townhouse supply amounted to 22,166 units from 303 projects, decreased by 12 percent or 3,020 units from that of the first half and decreased by 13 percent or 3,292 units from the second half of 2010 in every area, caused by the flood problem in late 2011. As a result, most developers postponed their investments in new projects and delayed their launches in the latter half of 2011. However, Western Bangkok area had the highest number of new projects being launched, due to the development in infrastructures such as construction of suburban train, extension of MRT Purple Line, SRT Light Red Line, together with the Government Center establishment which was located on Changwattana road as shown in Table 2. Major developers dominated 60 percent of total available for sale units, decreased by 3 percent from the latter half of 2010. Three major developers were Pruksa Real Estate Public Company Limited, Asian Property Development Public Company Limited, and Sansiri Public Company Limited.

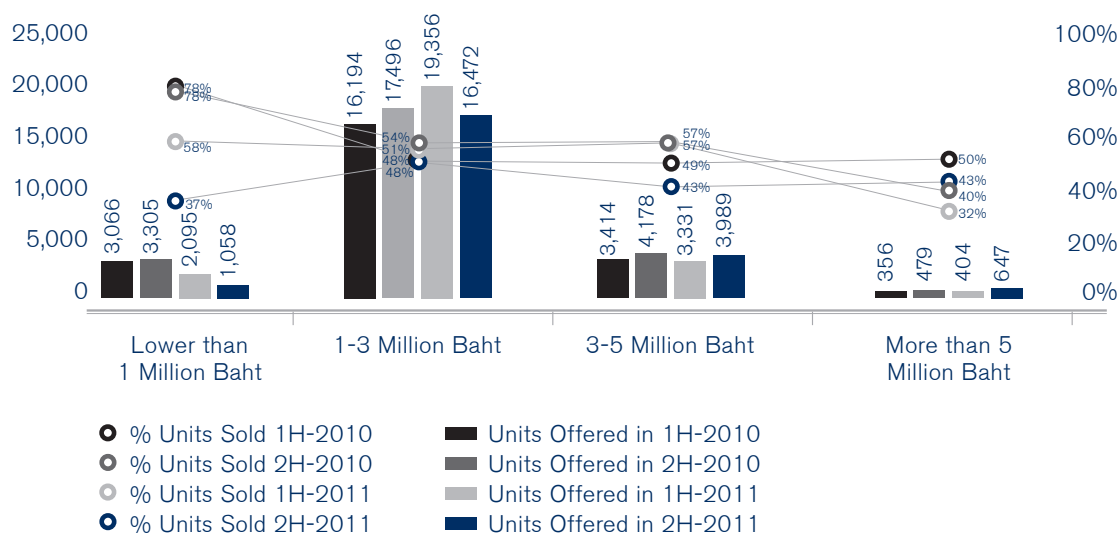
Table 2 Number of Projects, Available for Sale Units, and Absorption Rate of Townhouses as of 2H2010 and 2H2011

Area	2H-2010				2H-2011			
	Number of Projects	Total Units Offered	Total Units Sold	%Sold	Number of Projects	Total Units Offered	Total Units Sold	%Sold
Northern	98	6,893	3,815	55	94	5,793	2,778	48
Northeastern	51	4,132	2,576	62	44	3,521	1,440	41
Eastern	70	5,576	3,161	57	64	4,701	2,045	44
Western	69	4,812	2,940	61	58	4,704	2,448	52
Southern	39	4,045	2,051	51	43	3,447	1,571	46
Total	327	25,458	14,543	57	303	22,166	10,282	46

Source: Research & Development Department, Plus Property Co., Ltd.

The flood problem had largely affected consumers' confidence and their purchasing power, resulting in a decrease in the total number of sold units amounted to 10,282 units or a 22 percent decrease from that of the first half, and a 29 percent decrease from the second half of 2010. The absorption rate of townhouse declined in every area, especially in the Northeastern Bangkok area which its decline rate appeared to be the highest. In terms of housing supply, townhouse with average unit price of 1 to 3 million baht led the market in second half of 2011, accounted for 77 percent of the total units available for sale during the period. Townhouse with average price of 1 to 3 million baht per unit also had the highest absorption rate of 48 percent as shown in Figure 2.

Figure 2 Absorption Rate and Units Offered of Townhouses in Bangkok and Vicinities by Price Levels



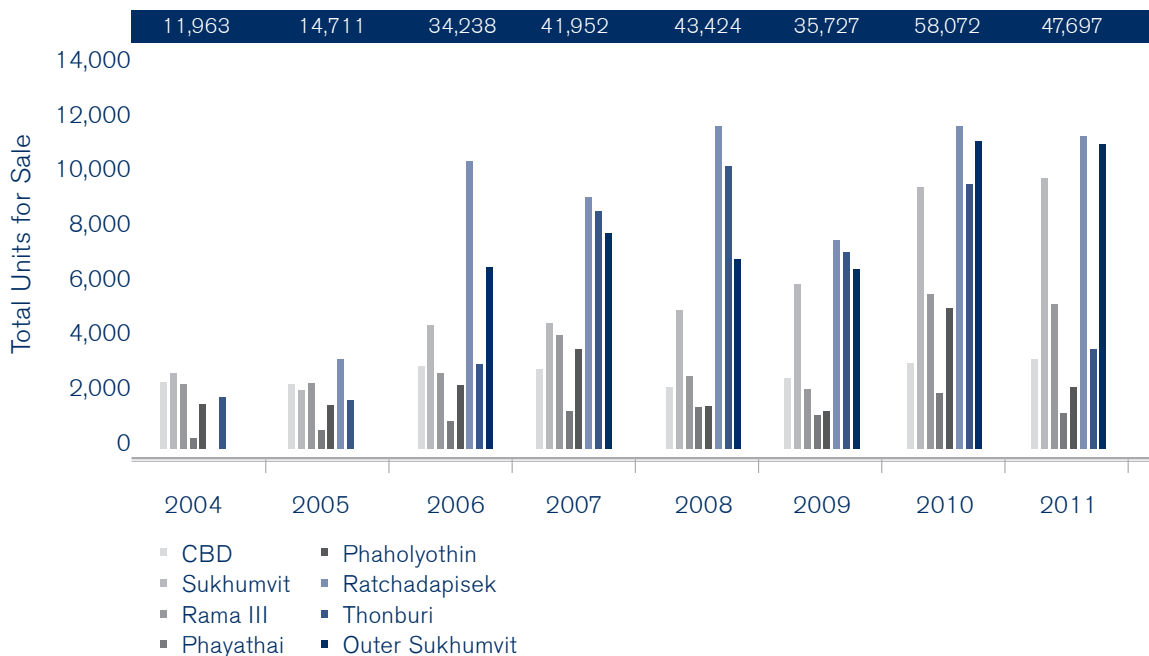
Source: Research & Development Department, Plus Property Co., Ltd.

Townhouse market in the latter half of 2011 decreased dramatically in both number of units supply and units sold. This was resulted from the flood problem in many areas and the unsold units which did not meet the customers' needs in the market. However, it is expected that the situation will return to normal in the short period of time and it will take at least 7 months to completely absorb the number of outstanding units.

Situation of Condominium Market

The number of units offered in 2011 was at 47,697 units, an 18 percent drop from the previous year, due to a 60 percent decrease in number of new project launches. A significant decrease was caused by developers' concerns about oversupply situation leading to limited units offered since beginning of the year as well as the slowdown in new project launches due to the flood situation. Consequently, Thonburi area, Phaholyothin area and Phayathai area had the highest decreasing rate of 63 percent, 55 percent and 46 percent respectively as shown in Figure 3. Nonetheless, the units offered in Central Business District area (Ploenchit-Chidlom and Silom-Sathorn area) increased at highest rate of 9 percent, due to new launches along the BTS Skytrain Ploenchit station.

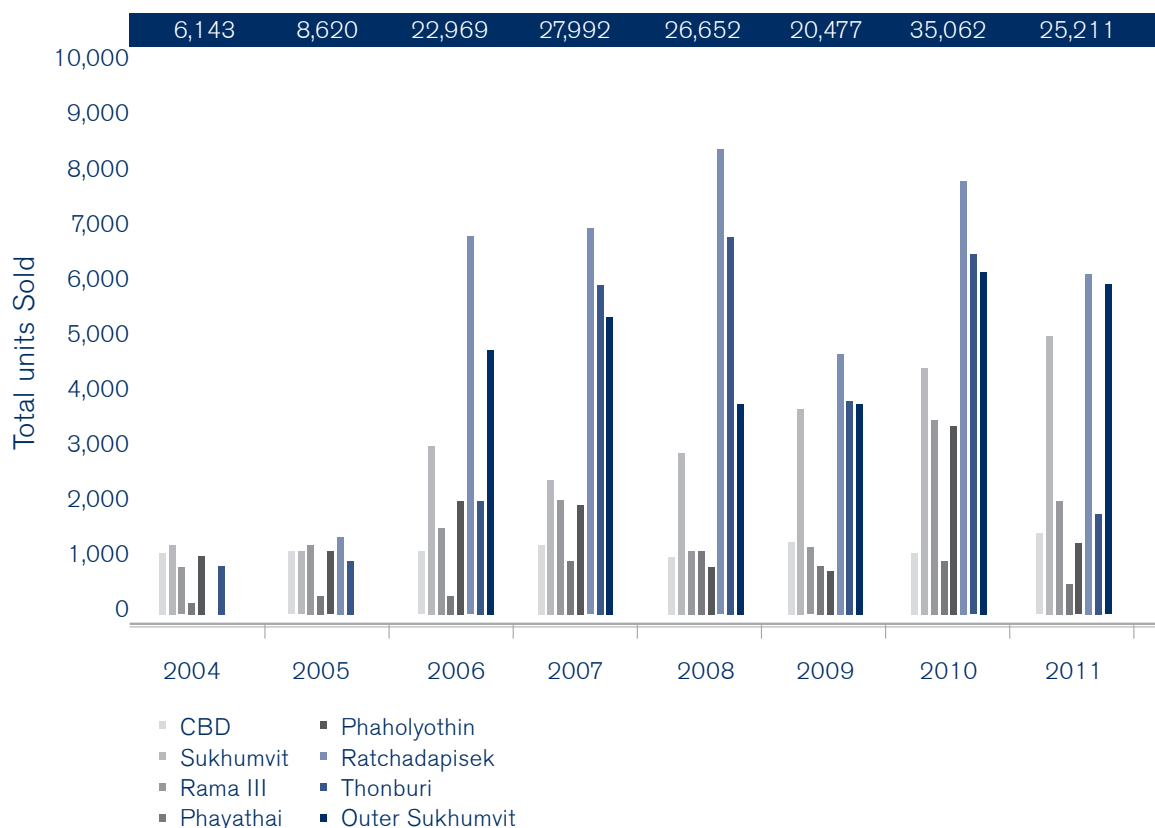
Figure 3 Annual Supply of Condominium Units in 2004 to 2011



Source: Research & Development Department, Plus Property Co., Ltd.

Total number of condominium units sold in all 8 areas in 2011 amounted to 25,211 units, a 28 percent decrease from 2010. The absorption rate in 2011 stood at 53 percent of total units offered. As a result of the economic slowdown and the impact of flooding situation, customers were still hesitated to make an investment decision. Thonburi area had the highest decrease in an absorption rate with 72 percent, compared to that of last year, matching with the drop in the units available of sale in the area. Nonetheless, the Central Business District area (Ploenchit-Chidlom and Silom-Sathorn area) and Sukhumvit area had the sale increase of 32 percent and 12 percent respectively. Reasons for an increase came from new project launched in these areas which met customers' need, driving high liquidity customers to purchase these properties for residence and investment as shown in Figure 4.

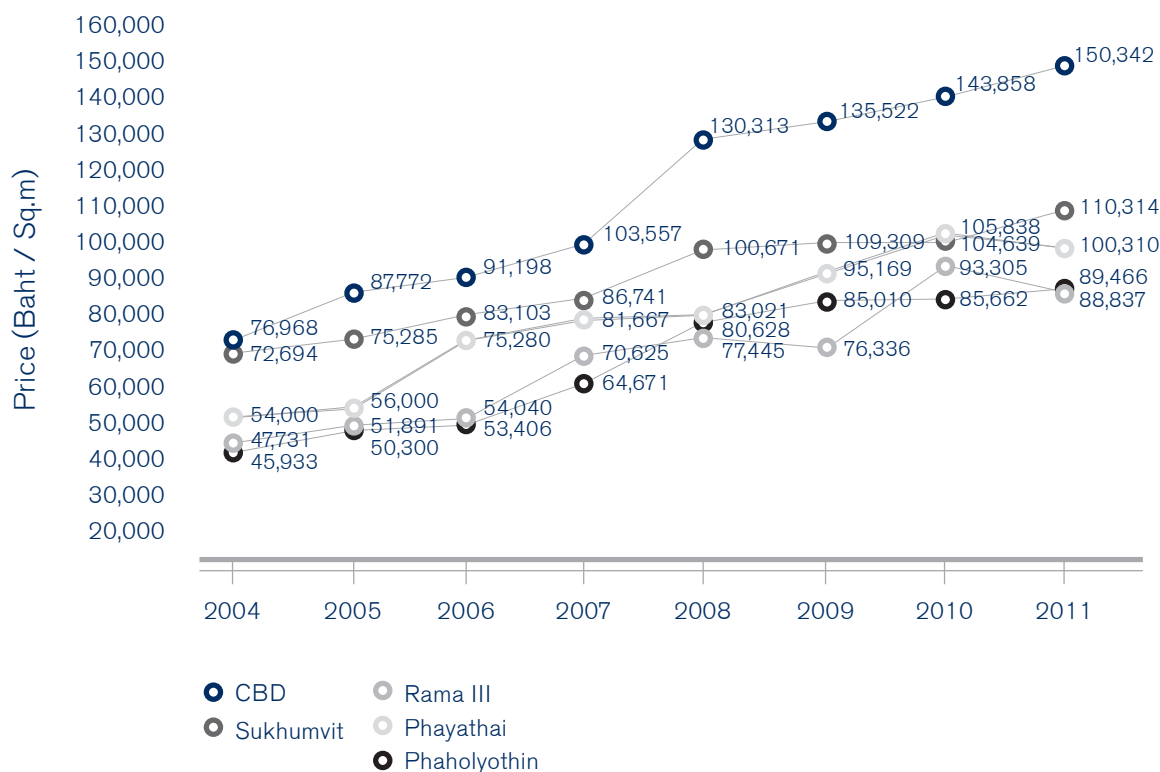
Figure 4 Annual Demand of Condominium Units in 2004 to 2011



Source: Research & Development Department, Plus Property Co., Ltd.

The average selling price of condominium in 2011 slightly went up by 1 percent compared with that of last year or increased by 1,194 baht per square meter to 107,854 baht per square meter. Central Business District area (Ploenchit – Chidlom and Silom – Sathorn) and Sukhumvit area had the same highest growth with a 5 percent increase to 150,342 baht per square meter and 110,314 baht per square meter consequently, while Phayathai area and Rama III area had decreased in average selling price to 100,310 baht per square meter and 89,466 baht per square meter respectively, due to a closeout sale by the old projects as shown in Figure 5.

Figure 5 Asking Price of Condominium Units by Area in 2004 to 2011



Source: Research & Development Department, Plus Property Co., Ltd.

Condominium market in the latter half of 2011 had slowed down significantly. Customers held back their decision makings to see market situation in the future. However, it is expected that the condominium market trend in 2012 will improve. Developers will develop their projects as planned, which will result in more than 20,000 units available for sale in the future. The expected launches will still be along the BTS Skytrain, MRT lines and city center areas.

PRODUCT PROCUREMENT

1. Selection of Locations for Project Development

Sansiri has the dedicated business development division which focuses on selecting the locations for our project developments. To select suitable location for development, this division has to work closely with our brokerage network and with Plus Property Company Limited and also relies upon site surveys compiled by the business development team. For more convenience, Sansiri increased channels to get land information through its website “www.sansiri.com” and call center. The business development division in cooperation with other departments, including government affairs, legal, product development, project development and marketing, analyses and studies the feasibility of the project development as well as selects the suitable product among single-detached houses, townhouses, condominiums and commercial building, for each location. Our business development division, together with our legal and government affairs team undertakes feasibility studies regarding matters such as the height of the buildings and set-back areas, while our product development and marketing teams select the product suitable for that particular plot of land and decide on the target customer group for that project. At this stage, the project development team completes a feasibility study on that construction costs. Finally, in order to establish an accurate and realistic sales forecast, the business development team reviews relevant market information in consultation with the sales and marketing teams.

2. Procurement of Construction Materials

Sansiri has transparent and clear procedure of construction material procurement process to optimise purchasing price according to the high standard set forth. Bidding process to procure construction materials allows Sansiri to compare the price versus the quality. Sansiri also gained economies of scale from consolidating volume, and negotiating in bulk with manufacturers. Construction material price volatility has been mitigated by assigning specific teams to closely monitor key construction material price change and preset the delivery prices of the material.

Sansiri copes with the fluctuation of construction materials for single-detached house and townhouse projects by purchasing the materials directly from the manufacturers, which accounts for approximately 40 to 45 percent of the total project construction costs. Sansiri also purchases some materials for condominium projects on a lump sum amount and enjoys the benefits from economies of scales, and mitigates risk of increasing material cost through the turnkey construction contracts with contractors. In order to select the qualified suppliers, Sansiri considers not only competitive price and production capacity but also the raw material sourcing capability to ensure the timely delivery of construction materials. Sansiri regularly updates the qualified supplier list by closely monitoring and evaluating the timely delivery of every supplier on a semi-annual basis.

3. Selection of Contractors

The ability to procure the services of quality and dependable contractors is important to real estate business. Sansiri selects contractors based on their specifications, combined with the construction capability in ensuring timely construction and operating under Sansiri's budget and standards. Having small contractors for single-detached house and townhouse projects provides more flexibility in managing construction plan and coping with change. For condominium projects, Sansiri uses turnkey construction contracts with contractors for cost control. Furthermore, Sansiri closely monitors and meticulously inspects to ensure a high quality construction and completion as scheduled. Currently, Sansiri has been able to manage coordination among contractors through more than 56 medium and large contractors.

RISK FACTORS

1. Land Acquisition

Sansiri obtains high potential land plots for project development of single-detached houses, townhouses and condominiums at reasonable prices. For condominium projects, Sansiri generally chooses mid-city locations near key business areas, mainly close to both the BTS Sky train and MRT subway lines, in areas where extensions of transit lines have already been approved and construction has commenced. Sansiri also acquires land plots in community areas and major cities. For single-detached house and townhouse projects, Sansiri chooses locations with easy access to the heart of the city and close to office areas. The risk of not acquiring prime locations for developing projects has been mitigated through an extensive network of brokers both individual brokers and brokerage firms covering all areas as well as two more channels for land sourcing, notably through our website- “www.sansiri.com” and our “1685” Call Center. Furthermore, Sansiri has a wholly-owned subsidiary named “Plus Property Company Limited (“Plus”) which operates brokerage services, property management and conducts research on property market. Plus is also the valuable real estate database, providing property information that could track market movement timely for the Sansiri Group.

2. Pre-Selling Condominiums

Selling condominiums before commencing construction not only reduces market risk while giving Sansiri more flexibility in developing these products to cope with the changing market conditions, it also provides Sansiri with a working capital. Nonetheless, pre-sales of condominiums bear the risks of unexpected construction costs that cannot be passed on to the buyers, as sales prices have already been finalised. Therefore, lower gross profit is an inevitable consequence of higher construction costs. Sansiri has mitigated the risks by negotiating turnkey construction contracts, enabling Sansiri to control construction costs more effectively and to protect profits from the uncertainties of rising construction material costs. The construction of condominium projects normally lasts 12 - 24 months. It is the responsibility of Sansiri to ensure the timely construction progress as well as project completion and delivery to customers as scheduled. Since Sansiri has many years of considerable skill and experience in condominium construction and always works closely with contractors, problems of this sort can be handled smoothly. Consequently, constructions have always been completed on time.

In addition, pre-selling condominiums bears the market risk of having unsold units upon the construction completion should the condominium projects were not well-received from customers. Sansiri has mitigated this inventory risk by doing in-depth research to develop condominium projects suitable for each customer group, as well as initiating attractive sales promotions prior to the construction completion to stimulate the sales.

Generally, down payment and installments for condominium projects are set at 5 to 20 percent of the selling prices with the balance to be paid upon condominium unit transfer. In this regard, there is a risk that some customers may forfeit their deposits. Sansiri has mitigated this risk by implementing an effective installment collection process and system. Our Customer Relations Department follows up on installment payments with customers continuously, and keeps executives informed so that action on sudden defaults are swiftly addressed and Sansiri's collection system is applied effectively. For example, Customer Service will issue a warning letter to customers if they have not paid installments for 3 months. In such case, the unit will be taken back and resold so that Sansiri will not lose the opportunity to sell and meet the transfer schedule. However, the low down payment is usually applied to condominiums in low to mid-priced market, which most customers always buy for their own living. Therefore, the possibility to forfeit their deposits is quite low.

3. Fluctuation in Construction Material Prices

In 2011, the price index of construction materials increased by 6.3 percent compared to that of 2010 (Source: Bureau of Trade and Economic Indices, Ministry of Commerce). This was mainly due to price increases in some construction materials such as steel and steel products, concrete products (lightweight concrete block and prestressed concrete piles), bricks, sand, stone, lumber and wood products, plaster materials, and electrical and plumbing equipment. The strong demand for construction materials as a result of construction business growth led to the price increase of raw materials and an increasing price of construction materials consequently. In this regard, these construction materials are key components for project development, thus the construction material price volatility will directly impact the cost of project development.

Sansiri is aware of construction material price volatility risk and has carefully planned to mitigate such risk by purchasing directly from the manufacturers through the bidding process and pre-agreeing the delivery prices. In this regard, Sansiri has focused on increasing our bargaining power and negotiating deeper discounts on large volume purchases for several projects under construction. Direct procurement of some construction materials for single-detached house and townhouse projects such as pile and roof tiles has been increasing to 45 percent of total 2010 construction cost. For the condominium project development, direct procurement has been used for several items such as tiles, sanitary ware and air conditioners. In addition, Sansiri also mitigated the risk of higher material cost of condominium project through the turnkey construction contract with contractors, resulting in better cost and quality control.

Special units have been established to closely monitor, and to promptly react when the price of major construction material categories changes. These reactions include but not limited to re-negotiate the future contract price with the manufacturers or contractors when the construction material price significantly decreases. Sansiri usually receives cooperation from the manufacturers or contractors as a valuable business partner with good reputation, and long-standing experience in the real estate business.

In order to select qualified suppliers, Sansiri considers not only the competitive price and production capacity but also the sourcing capability to ensure the timely delivery of construction materials. Sansiri regularly updates its qualified supplier lists by closely monitoring and evaluating performance of every supplier on a semi-annual basis.

4. A Shortage of Contractors

Sansiri and its subsidiaries have successfully launched housing projects in various locations, leading to several active projects in progress. Sansiri has the risk of contractor and skilled labour shortage which affects the construction quality that does not meet Sansiri's standard. However, Sansiri eliminates the risk by establishing strong relationship with a group of contractors to create a valuable database and finding alternatives for construction. Changing construction technology from "Conventional Construction" to "Precast Construction" were considered and applied in Sansiri. Under Precast Construction, some wall and finished parts were produced from precast factory, facilitating Sansiri to reduce the dependence on skilled labour. Sansiri also constructed its own precast factory in 2011 which could start production in 2012. Besides, Sansiri tends to increase the portion of applying precast construction system in single-detached house and townhouse projects.

Following the preliminary selection process, Sansiri evaluates the construction capability to ensure reliable and timely construction. Having several small contractors for a single project often provides more flexibility but also introduces some difficulties in coordination with the associated risk of late or wrong construction delivery. Given such risk, Sansiri closely monitors and meticulously inspects via our Quality Control Department to ensure a high standard of every housing project. Banking on our efficient operational system and transparent selection process, Sansiri currently has a list of 56 qualified contractors, from medium to large, which helps reinforce our development progress and growth.

Similar to the previous years, Sansiri held the annual QC Award ceremony in 2011 to motivate contractors to deliver high quality and timely construction. The award-winning contractor will receive certain privilege, such as the reduction in retention amounts.

5. Unsold Units

Sansiri plans construction progress based on sales forecast, which has been regularly updated by sales and marketing team. However, the economic slowdown could lead to decreasing sales and temporary unsold housing stock. Sansiri has reduced this inventory risk through the efficient inventory management. To enhance the ability to cope with the changing environment, the single-detached house and townhouse projects have been phased with both pre-built houses and semi pre-built houses which are available for sale. Consequently, Sansiri could adjust the construction plan correspondingly to the softer housing demand as well as to modify subsequent project phases that satisfy consumer preferences and affordability. As of 31 December 2011, Sansiri had 20 single-detached house projects under construction and available for sale, with total project value of 25,900 million baht, 16,125 million baht or 62 percent of which were sold. Of the total project value of 11,273 million baht from 14 active townhouse projects under construction and available for sale, 8,194 million baht or 73 percent of the total project value were sold. Consequently, Sansiri had finished but unsold housing stock of 250 units, worth approximately 1,383 million baht, as of 31 December 2011.

For condominium projects, Sansiri steadfastly conducts the in-depth research on consumer behavior before launching any projects, along with attractive sales promotions to stimulate sales transaction. As of 31 December 2011, Sansiri had 20 condominium projects available for sale with total project value of 32,338 million baht, 28,193 million baht or 87 percent of which were sold. Consequently, Sansiri had completed but unsold condominium stock of 89 units, worth approximately of 889 million baht, As of 31 December 2011.

6. A Change in Interest Rate and Accessibility to Sources of Funds

Interest rates in 2011 had been increased from 2010 due to local economic recovery while commercial banks still maintained prudent lending policies, making it difficult for some developers to obtain project-financing loans. Sansiri mitigates this risk by establishing strong relationships with various commercial banks and always negotiating to achieve competitive price on project-financing loans. All current projects are secured by project-financing loans and other credit facilities made available by domestic financial institutions. In this regard, an increase in interest rates in 2011 has slightly impacted Sansiri's average cost of funding. In order to provide alternative sources of funding and to reduce the dependence on floating interest rate project-financing loans, Sansiri issued the fixed rate unsecured debentures worth of 2,000 million baht with a cost of funds close to other unsecured financing loans in 2011. Good response from customers and successful placement of the debentures provided Sansiri with alternative source of funding for future project development.

7. Environmental Impact Assessment (EIA) Report Approval

There are several housing projects which require Sansiri and subsidiaries to provide environment impact assessment report prior to receiving permission from the Environmental Impact Evaluation Bureau within the Ministry of Natural Resources and Environment. In this regard, Sansiri has worked closely with professional consultancy companies, registered with the Ministry of Natural Resources and Environment in order to prepare EIA reports in compliance with rules and regulations under National Environmental Quality Act (NEQA) of 1992. The housing projects which require EIA approvals are condominium projects with more than 79 units; while single-detached houses and townhouse projects are not required to get EIA approval.

Sansiri and subsidiaries fully comply with all EIA rules and regulations for all housing projects which required approval from the Environmental Impact Evaluation Bureau. In this regard, Sansiri and subsidiaries work closely with contractors to ensure that the construction is carried out pursuant to the specifications approved by EIA committee to prevent controversy, claims and litigations, and thus no additional environmental investment is required. Sansiri closely monitors the progress and procedures for all housing projects to ensure that we are in compliance with the rules and get approval from the Environmental Impact Evaluation Bureau as scheduled.

SHAREHOLDER STRUCTURE AND MANAGEMENT

SHAREHOLDERS

The ten largest shareholders according to the latest registry of shareholders on 26 January 2012 (the closing date of the shares register book - XO), are as following:

No.	Major Shareholders	Number of Shares	Proportion of shares holding % of paid-up capital *
1	Mr. Srettha Thavisin Group ^{1/}	1,416,328,256	20.08
2	CHASE NOMINEES LIMITED ⁴²	524,372,800	7.43
3	Viriyah Insurance Company Limited	440,384,000	6.24
4	UBS AG SINGAPORE BRANCH	415,106,436	5.89
5	Finansa Life Assurance Company Limited	250,006,400	3.54
6	TFB FOR MFC-THAI FUND INVESTMENT PLAN	179,647,064	2.55
7	Mr. Apichart Chutrakul	144,960,408	2.06
8	Mr. Jane Piyatat	105,255,600	1.49
9	Mr. Wanchak Buranasiri	97,875,904	1.39
10	KASIKORNBANK Public Company Limited	96,420,272	1.37
Total		3,670,357,140	52.04

** As of 26 January 2012, the Company had the paid-up capital of 7,546,954,443.64 baht, divided into 7,053,228,452 ordinary shares at a par value of 1.07 baht each.*

Remark:

1/ Mr. Srettha Thavisin Group consists of (1) T.S. Star Company Limited (the holding company wholly owned by Mr. Srettha Thavisin who is also the director), holding 1,272,697,600 shares, equivalent to 18.04% of the Company's issued and paid-up capital and (2) Mr. Srettha Thavisin holds 143,630,656 shares, equivalent to 2.04% of the Company's issued and paid-up capital.

(Effective from 4 January 2012)



MANAGEMENT

1. Management Structure

The Company's management structure consists of the Board of Directors, the Audit Committee, the Compensation Committee, Corporate Social Responsibility Committee (CSR Committee), and the Executive Committee, which are described below:

(a) **Board of Directors**, consists of 10 directors, namely:

(As of 4 January 2012)

Board members		Positions
1. Mr. Kovit	Poshyananda	Chairman of the Board (Independent Director)
2. Mr. Apichart	Chutrakul	Vice-Chairman
3. Mr. Mana	Noppun	Independent Director
4. Mr. Jesadavat	Priebjrivat	Independent Director
5. Mr. Wirat	Uanarumit	Independent Director
6. Mr. Srettha	Thavisin	Director
7. Mr. Wanchak	Buranasiri	Director
8. Mr. Kriengkrai	Thiennukul	Director
9. Mrs. Nujchanart	Panthawangkun	Director
10. Mr. Porntat	Amatavivadhana	Independent Director

Authorised Directors

As of 4 January 2012, the directors of the Company whose signatures binding the Company shall be Mr. Apichart Chutrakul, Mr. Srettha Thavisin, Mr. Wanchak Buranasiri, two of three directors co-sign with the Company's seal affixed.

Scope of Authority and Responsibilities of the Board of Directors

According to corporate regulations, the Board of Directors is authorised to make decisions and ensure that the activities of the Company conform to the objectives and rules of the Company, resolutions of shareholders' meetings, and all relevant laws. This decision-making authorisation does not include matters that must first be

approved by the shareholders' meeting as specified by the law and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. The corporate regulations permit the Board of Directors to appoint an Executive Committee that controls the daily affairs of the Company in accordance with the policies and budget approved by the Board of Directors and any other matters assigned to it by the Board. Included in these activities are operations that fall within the scope of responsibility assigned to the Executive Committee and screening of other matters beyond that scope for the Board of Directors to consider. The corporate regulations, moreover, authorise the Board of Directors to appoint other committees to assist the Board in its managerial responsibilities.

Selection of Independent Director

The Company specifies the qualification of its independent director in accordance with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, as follows:

1. Holds shares not exceeding 1 percent of the total voting shares of the Company, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the Company, provided that the shares held by the related parties of such independent director shall be included.
2. Is not or has never been an executive director, employee, staff, advisor who receives salary, nor controlling parties of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the Company.
3. Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brothers and sisters, and children. The prohibitive persons also include spouses of daughters and sons of management, major shareholders, controlling party or the person who is in the process of nomination to be the management or controlling party of the Company or its subsidiary.
4. Have no or never had business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company in respect of controlling which may harm the independent decision-making, including not being or never been the significant shareholder, or controlling parties of any person having business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company.

5. Is not or has never been the auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of Company, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company.
6. Is not or has never been the professional service provider, including but not limited to legal consultant or financial advisor who received the service fee more than 2 million baht per year from the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the aforementioned service firms.
7. Is not the director who is nominated to be the representative of directors of the Company, major shareholders, or any other shareholders related to the major shareholders.
8. Do not operate the same and competitive business with the business of the Company, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds share for more than 1 percent of the total voting shares of any other companies which operate same and competitive business with the business of the Company, or its subsidiaries.
9. Is not any otherwise which is unable to have the independent opinion regarding the business operation of the Company.

After being appointed as the independent director in accordance with the conditions under the article (1) - (9), such independent director may be assigned by the Board of Directors to make decision in respect of collective decision on business operation of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of Company.

The definition of independent director of the Company is equal to the minimum requirement of the Securities and Exchange Commission and the Stock Exchange of Thailand.

(b) Audit Committee

The Audit Committee is constituted in such a way as to be independent of the Company's management. All members of the Audit Committee are qualified individuals and independent directors who possess the qualifications stipulated by the Stock Exchange of Thailand.

Presently, the Audit Committee consists of 3 directors who are not taking part in the management of the Company or majority shareholder of the Company, and 1 secretary, namely:

(As of 4 January 2012)

Name		Positions
1. Mr. Mana	Noppun	Chairman of the Audit Committee
2. Mr. Jesadavat	Priebjrivat	Member of the Audit Committee
3. Mr. Wirat	Uanarumit	Member of the Audit Committee

Remark: Secretary to the Audit Committee is Mr. Thalin Aeimtitawat

Scope of Authority and Responsibilities of the Audit Committee

The Audit Committee of the Company has the scope of duties and responsibilities to the Board of Directors on the following matters:

- (1) to review the Company's financial reporting process to ensure that it is accurate and adequate;
- (2) to review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit;
- (3) to review the Company's compliance with the law on securities and exchange, the Stock Exchange of Thailand's regulations, and the laws relating to the Company's business;
- (4) to consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;

- (5) to review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Stock Exchange of Thailand's regulations, and are reasonable and for the highest benefit of the Company;
- (6) to prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report,
 - (b) an opinion on the adequacy of the Company's internal control system,
 - (c) an opinion on the compliance with the law on securities and exchange, the Stock Exchange of Thailand's regulations, or the laws relating to the Company's business,
 - (d) an opinion on the suitability of an auditor,
 - (e) an opinion on the transactions that may lead to conflicts of interests,
 - (f) the number of the audit committee meetings, and the attendance of such meetings by each committee member,
 - (g) an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
 - (h) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors; and
- (7) to perform any other act as assigned by the Company's Board of Directors, with the approval of the Audit Committee.

In its performance of duties as described above, the Audit Committee must be directly responsible to the Company's Board of Directors, while the Company's Board of Directors shall remain responsible to third parties for the operations of the Company.

The term of office for the Chairman of the Audit Committee and members of the Audit Committee is 3 years (including the additional appointment to and removal from the Audit Committee). Furthermore, the members of the Audit Committee who retired by the expiration of the term of the appointment may be re-elected for another term, if the Board of Directors or the shareholders' meeting deems appropriate.

In this regard, the Chairman of the Audit Committee and all members have adequate expertise and experience to audit creditability of the Company's financial reports.

(c) Compensation Committee

Presently, the Compensation Committee consists of 3 non-executive directors and 1 secretary, namely:

(As of 4 January 2012)

Name		Positions
1. Mr. Mana	Noppun	Chairman of the Compensation Committee
2. Mr. Jesadavat	Priebjrivat	Member of the Compensation Committee
3. Mr. Porntat	Amatavivadhana	Member of the Compensation Committee

Remark: Secretary to the Compensation Committee is Mr. Wanchak Buranasiri

Scope of Authority and Responsibilities of Compensation Committee are as follows:

1. To provide recommendation to the Board of Directors with respect to the policy and criteria for determining annual remuneration, in the form of both cash and non-cash reward, to be given to the directors by considering the justifiable, reasonable and appropriate remuneration for the scope of duties and responsibilities of the directors and can be comparable with the remuneration rate of other companies in the same industry. Provided, however, that such remuneration is submitted for approval in the shareholders' meeting.
2. To consider the annual remuneration, annual salary adjustment, change in salary rates, and other remuneration according to the positions, benefits, as well as the terms and conditions of employment, of the Chief Executive Officer and the President.

3. To provide recommendation to the Board of Directors with respect to the policy and criteria for determining annual remuneration and other benefits to be given to the senior executives, according to their positions.
4. To consider and provide opinions in the event that the Company would like to issue and allot warrants, which are more than 5 percent of total warrants issued in each lot of allocation, to directors and executive employees of the Company and/or its subsidiaries, as well as determine the name of directors and executive employees being entitled to receive warrants more than 5 percent and number of warrants to be issued and allotted to each of them, subject to the relevant laws, rules and regulations.
5. To perform any other act as assigned by the Company's Board of Directors in relation to the determination of significant compensation.

(d) Corporate Social Responsibility Committee (CSR Committee)

The Corporate Social Responsibility Committee or CSR Committee is appointed by the Board of Directors, became effective on 28 July 2010. The CSR Committee comprises of 3 directors with the President as the Chairman and the other two shall be selected from amongst the directors, employees, independent advisors or specialists. The members of CSR Committee who are directors or independent specialists have a three-year term and could be re-elected for the purpose of continuity. The members of CSR Committee who are employees including the President have a term of office as deemed appropriate by the Board of Directors.

The CSR Committee presently consists of:

(As of 4 January 2012)

Name		Positions
1. Mr. Srettha	Thavisin	Chairman of the CSR Committee
2. Mr. Jesadavat	Priebjrivat	Member of the CSR Committee
3. Mr. Porntat	Amatavivadhana	Member of the CSR Committee

Scope of Duties and Responsibilities of CSR Committee

The duties of the CSR Committee are as follows:

1. To review CSR policy and activities and submit to the Board of Directors for approval.
2. To agree and establish Sansiri Group's CSR strategy to ensure that it remains an integral part of the group strategy and its implementation in practice and that the Group's social, environmental and economic activities are aligned.

3. To review CSR annual plan and budget and submit to the Board of Directors for approval.
4. To review and monitor progress of CSR activities and evaluate the success and quality of CSR Programmes.
5. To promote CSR programmes and encourage participation among directors and employees.
6. To elect the CSR Working Group to develop CSR Plan and create the CSR Programmes.
7. To conduct CSR-related issues as assigned by the Board of Directors.

(e) Executive Committee

The Executive Committee is appointed by the Board of Directors to supervise and control the daily affairs of the Company. Being selected from a list of the Company's Top Management, members of the Executive Committee must not be the directors of the Company (except the member of Executive Committee no. 1-3 in the list as shown below). Therefore, they are not "Director and Management" according to the Notification of the Securities and Exchange Commission.

The Executive Committee presently consists of:

(As of 4 January 2012)

Name		Positions
1. Mr. Apichart	Chutrakul	Chairman of the Executive Committee
2. Mr. Srettha	Thavisin	Deputy Chairman of the Executive Committee
3. Mr. Wanchak	Buranasiri	Member of the Executive Committee
4. Mr. Thalin	Aeimitiwat	Member of the Executive Committee
5. Mr. Monthian	Soisuwan	Member of the Executive Committee
6. Mr. Uthai	Uthaisangsuk	Member of the Executive Committee
7. Mr. Nopporn	Boonthanom	Member of the Executive Committee
8. Mr. Metha	Angwatanapanich	Member of the Executive Committee
9. Mr. Manu	Trakulwattanakit	Member of the Executive Committee
10. Mr. Somchai	Charntanawet	Member of the Executive Committee
11. Mrs. Anongluk	Rathprasert	Member of the Executive Committee and Secretary to the Executive Committee

Scope of Authority and Responsibilities of the Executive Committee

1. Supervising and controlling the daily affairs of the Company so that they conform to the policies and budget approved for them by the Board of Directors. This includes making business plans, directions, strategies, and organisational structures, and managing the Company's operations. Corporate expenditures must conform to the economic conditions and the competition encountered by the Company, according to the aforementioned policies and budget. The Committee must also monitor the results of corporate operations and ensure that they accord with the approved business plan of the Company.
2. Conducting any other affairs assigned to it by the Board of Directors, including authorisation of whatever operations fall within the scope of authority assigned to the Committee by the Board of Directors, which authority is subject to periodic review.
3. Screening other matters beyond the Committee's scope of authority before passing them to the Board of Directors for consideration.

However such authorisation assigned by the Board of Directors shall not cause the Executive Committee, President or any proxy to approve the transactions that he or potentially conflicted persons may involve directly or indirectly in advantage/disadvantage, and that involvement cause in conflict of interest to the Company or any related transaction which referred by the Articles of Association of the Company the Securities and Exchange Commission's regulations, except the normal business transactions such as buying or selling goods or products of the Company in accordance with the policy, rules and budgeting which assigned by the Board of Directors.

- (f) **The Management**, according to the definition under the Notification of the Securities and Exchange Commission, presently consists of the person, namely:

(As of 4 January 2012)

Name		Positions
1. Mr. Apichart	Chutrakul	Chief Executive Officer
2. Mr. Srettha	Thavisin	President
3. Mr. Wanchak	Buranasiri	Chief Operating Officer

(As of 4 January 2012)

Name		Positions
4. Mr. Thalin	Aeimtitiwat	Senior Executive Vice President - Accounting Department
5. Mr. Uthai	Uthaisangsuk	Senior Executive Vice President - Business Development and Project Development Division (High Rise) Senior Executive Vice President - Marketing Communication Division
6. Mr. Metha	Angwatanapanich	Senior Executive Vice President - Business Development and Project Development Division (Low Rise)
7. Mr. Monthian	Soisuwan	Executive Vice President - Project Support Division
8. Mr. Nopporn	Boonthanom	General Counsel / Legal Office
9. Mr. Manu	Trakulwattanakit	Executive Vice President - Project Management and Marketing Department (Low Rise 3) Executive Vice President - Product Development Department (Low Rise) Executive Vice President - Design Solution Department Executive Vice President - Production Cost Management Department
10. Mr. Suriya	Wannabuit	Executive Vice President -Project Management and Marketing Department (Low Rise 4 and 5)
11. Mr. Somchai	Charntanawet	Executive Vice President - Finance and Information Technology Department
12. Mrs. AnonglukRathprasert		Senior Vice President - Customer Relations and Human Resources Department

(As of 4 January 2012)

Name		Positions
13. Miss Vilasinee	Dejamornthan	Senior Vice President - Project Management and Marketing Department (Low Rise 2)
14. Mr. Chookiat	Joomthong	Senior Vice President - Government Affairs Department
15. Mr. Supol	Sombathwichathon	Senior Vice President - Quality Control and Estimate Department
16. Mr. Apisit	Srisakulpong	Senior Vice President - Project Management Department (High Rise 1)
17. Mr. Tasanin	Maha-amatayatibodee	Senior Vice President - Home Care Department
18. Miss Dusadee	Tancharoen	Senior Vice President- Marketing and Product Development (High Rise) Senior Vice President- Marketing Communication Division
19. Mr. Pornchai	Chaimongkolsub	Senior Vice President - Project Management and Marketing Department (Low Rise 1)
20. Mrs. Sirindra	Mongkolnavin	Vice President - Corporate Planning and Investor Relations Department Vice President - Organisation Development Department
21. Mr. Samatcha	Promsiri	Vice President - Corporate Marketing Department
22. Mr. Prasert	Trakranvachirahut	Vice President - Project Procurement Department
23. Miss Suwannee	Mahanarongchai	Vice President - Plus and Touch Business Support Department (Research-Business Development and Consultant)
24. Mr. Piti	Jarukamjorn	Vice President - Project Management Department (High Rise 2)

Note: Information of the directors and management of the Company are explained in detail under the topic "Details on the Directors and Management"

(g) Company Secretary

Mr. Nopporn Boonthanom was appointed by the Board of Directors, to be the Company Secretary effective on 13 August 2008 with the preliminary Duty and Scope of Responsibilities as specified by the Securities and Exchange Acts (No.4) B.E. 2551.

2. Selection of Directors and Management

Selection of Company directors must receive approval from a general meeting of shareholders, unless a position falls vacant for some other reasons than the normal expiry of a director's term of office. The Board of Directors may then elect a replacement at its next meeting to fill that position only for the remaining term, unless the period remaining is less than two months. Appointment of independent directors and audit committee will be made by the Board of Directors from a list of qualified persons generally accepted by the business sector and appropriate academic realm and nominated by the Chief Executive Officer and the President for that purpose, or proposed for appointment at a meeting of shareholders, as is the case with directors of the Board whose names are proposed jointly by the Chief Executive Officer and the President.

Method of Election of Directors at a shareholders' meeting

The Company's regulations differ from the method stipulated by Article 70, Clause 1 of the Public Companies Act of B.E. 2535. The Company's regulations require that the Board of Directors must be approved by a majority of votes in a shareholders' meeting, with one vote for each share. Election may be of individuals or of groups, as the shareholders' meeting deems appropriate. No shareholder may divide his/ her votes among several individuals or groups. At each Annual General Meeting of Shareholders, one third of the positions on the Board become vacant, and those whose terms have expired may be re-elected for another term of office.

3. Management Remuneration

3.1 Cash remuneration

- (A) Total cash remuneration for the directors and members of the Audit Committee in 2011 consists of the meeting allowances, special remuneration to the non-executive directors and salary to the Audit Committee, the details of which were as follows:

Remuneration for the directors for the year 2011

No.	Name		Meeting Allowances (baht / year)	Special Remuneration to the Non-executive Directors (baht / year)	Total (baht / year)
1	Mr. Kovit	Poshyananda	260,000	1,500,000	1,760,000
2	Mr. Apichart	Chutrakul	200,000	-	200,000
3	Mr. Mana	Noppun	260,000	1,000,000	1,260,000
4	Mr. Jesadavat	Priebjrivat	260,000	1,000,000	1,260,000
5	Mr. Wirat	Uanarumit	260,000	1,000,000	1,260,000
6	Mr. Srettha	Thavisin	200,000	-	200,000
7	Mr. Wanchak	Buranasiri	200,000	-	200,000
8	Mr. Kriengkrai	Thiennukul	260,000	1,000,000	1,260,000
9	Mrs. Nujchanart	Panthawangkun	260,000	1,000,000	1,260,000
10	Mr. Porntat	Amatavivadhana	260,000	1,000,000	1,260,000
Total					9,920,000

The remuneration for the Audit Committee was paid in form of salary at the same rate as in year 2010, which were 50,000 baht per month for the Chairman and 30,000 baht per month for other members.

Remuneration for member of Audit Committee for the year 2011

No.	Name		Salary (baht / year)
1	Mr. Mana	Noppun	600,000
2	Mr. Jesadavat	Priebjrivat	360,000
3	Mr. Wirat	Uanarumit	360,000
Total			1,320,000

- (B) Cash remuneration for the Management was in the forms of salary and bonus as follows:

Remuneration for the Management		
Type of Remuneration	The year 2011	
	No. of Top Management	Amount (baht)
Total Salary	24	83,137,400
Total Bonus	24	196,400,000
	Total	279,537,400

3.2 Other Remuneration

3.2.1 The Plan to issue and offer the ESOP Warrants to the Directors and its subsidiaries (ESOP scheme)

The Company provided the ESOP scheme with the purpose of motivating its directors and employees to participate in the Company as an owner, as well as improving the working morale and to stimulate and encourage the employees to perform their best for the highest benefit of the Company. In addition, the ESOP scheme will be an incentive that help retain the employees with high capability and efficiency to work with the Company in the long term. As of year ended 2011 there were the ESOP schemes which are summarised as follows

Name	ESOP # 5	ESOP # 6
Number of Warrants which were already been allotted and subscribed	The Company had split the warrants from 1 existing unit to 4 newly issued units in order to be in accordance with the change of par value of the Company share pursuant to the resolution of the Extraordinary Meeting of Shareholder No. 1/2011 held on 27 September 2011 as follows: - splitting of warrant <u>from</u> 19,816,289 units <u>to</u> 79,265,156 units	The Company had split the warrants from 1 existing unit to 4 newly units in order to be in accordance with the change of par value of the Company share pursuant to the resolution of the Extraordinary Meeting of Shareholder No. 1/2011 held on 27 September 2011 as follows: - splitting of warrant <u>from</u> 63,173,735 units <u>to</u> 252,694,940 units
Total number of shares being reserved for exercising right (after the change of par value of the Company share)	splitting 1 existing share being reserved for the exercising right of the warrant to 4 newly issued shares as follows: - <u>from</u> 23,125,615 shares <u>to</u> 92,502,460 shares	splitting 1 existing share being reserved for the exercising right of the warrant to 4 newly issued shares as follows: - <u>from</u> 73,723,754 shares <u>to</u> 294,895,016 shares
Maturity	5 years from the issuance of warrant (30 June 2009)	5 years from the issuance of warrant (6 August 2010)
Exercise Ratio	1 unit of warrant are entitled to purchase 1.167 ordinary shares	1 unit of warrant are entitled to purchase 1.167 ordinary shares
Exercise Price	1.072 baht per unit	1.114 baht per unit
Exercise Period	The warrant holder are entitled to exercise the warrant once every calendar month on the last working day until the maturity period of the warrant	The warrant holder are entitled to exercise the warrant once every calendar month on the last working day until the maturity period of the warrant

The warrants issued under ESOP Plan which allotted to the directors of the Company are as follows:

The name of directors (at present)		Proportion of the allotment (% of the scheme)	
		Warrants under ESOP# 5	Warrants under ESOP# 6
1. Mr. Kovit	Poshyananda	1.89	4.00
2. Mr. Apichart	Chutrakul	4.92	-
3. Mr. Mana	Noppun	-	2.67
4. Mr. Jesadavat	Priebjrivat	-	2.67
5. Mr. Wirat	Uanarumit	-	2.67
6. Mr. Srettha	Thavisin	4.92	-
7. Mr. Wanchak	Buranasiri	4.92	-
8. Mr. Kriengkrai	Thiennukul	-	2.67
9. Mrs. Nujchanart	Panthawangkun	-	2.67
10. Mr. Porntat	Amatavivadhana	-	2.67

3.2.2 Contributions to the Provident Fund : In 2011, the Company had not paid any contributions to the Provident funds of directors, except for directors and executives who are also the Company's employees. The Company had contributed to their provident fund as follow:

Type of remuneration	The year 2011	
	No. of person	Amount (baht)
Contributions to the Provident Fund	24	9,109,428

4. Corporate Governance

The Company regards corporate governance as a system essential to the processes and structures of leadership and control. It facilitates responsibility for one's position through transparency and enhances corporate competitiveness as a mean to preserving capital and adding value to shareholders' equity in the long term. Corporate governance is a code of business ethics that protects various interested parties and society as a whole. To this end, the Company has established an Audit Committee, composed of individuals independent of the Company, and free of managerial control. The Audit Committee meets every three months to examine the stewardship of the Company in terms of transparency, integrity, accountability, and competitiveness.

In addition, since some of the Company's joint venture partners and shareholders are foreigners who need to have prompt and accurate knowledge of the Company, the Company is aware of the importance of corporate governance as a factor in determining whether an investor will choose to invest in the Company. For this reason, the Company has regularly updated its information, accounting, and management systems to ensure fast and accurate reports, and established an Investor Relations Office to co-ordinate communication with investors.

The progress made by the Company in implementing all 5 sections contained in the Principles of Good Corporate Governance for Listed Companies laid down by the Stock Exchange of Thailand is herewith explained as follows:

1. Right of Shareholders

To increase transparency, competitive advantage and the confidence of shareholders, investors and all stakeholders in the Company, the Board of Directors has set the guideline for protection of fundamental rights of the shareholders (such as the right to trade and transfer shares, to receive dividend from profits of the Company, to receive sufficient news and information from the Company, to attend and exercise their voting rights in the shareholders' meeting, etc.) including the following principles:

- (a) The Company provides the information about the shareholders' meeting by sending the notice summoning the meeting along with the meeting agenda within sufficient timeframe (14 days prior to the meeting date). The notice summoning the meeting and the meeting agenda contained the details of the meeting inclusive of date, time, venue, agenda of the meeting and other necessary information required for decision making process together with the comments from the directors for each agenda, and proxy form for the shareholders who are unable to attend the meeting, etc. Furthermore, the Company also advertised these information on the Company website before sending them to the shareholders.
- (b) Chairman of the meeting allocates sufficient and appropriate time and carries out the meeting according to the agenda. And during the meeting, the Chairman allows the shareholders to freely express their opinions and raise their questions in relation to the Company's business.
- (c) Chairman of the Board, the Chairman of the sub-committee, and all directors (unless with reasonable cause) are to attend the meeting and answer the questions from the shareholders.

- (d) To ensure efficiency, transparency, accountability, and sufficient information disclosure of the business operations for the utmost benefits of the shareholders and stakeholders.

2. Equitable Treatment of Shareholders

General Rights

The Company realises its duty to protect the rights and benefits of the shareholders and to place importance on fair and equal treatment for all shareholders. It is the Company's policy to disclose information with respect to business operation with accuracy and transparency, including the rights in which the shareholders are entitled to, or any issues that could impact the Company's business such as shareholders' participation in the shareholder's meeting to exercise their voting rights, the right to receive dividend, the capital increase or decrease, etc.

Shareholders' Meeting

The Company has established the policy to hold the shareholders' meeting in accordance with the applicable laws and regulations of the Stock Exchange of Thailand, including the summoning of the meeting, notification of the agenda, sending of the notice summoning the meeting, recording of minutes of the meeting, and also facilitating the shareholders in shareholders' meetings.

- Before the Meeting

In 2011, the Company held shareholder's meeting for 2 times, i.e. an Annual General Meeting of Shareholders on 25 April 2011 and an Extraordinary Meeting of Shareholders on 27 September 2011. The Company sent the notice summoning the meeting along with the meeting agenda to the shareholders not less than 14 days prior to the date of the meeting. To provide the opportunity to the shareholders to study the materials for the meeting before receiving the information in forms of documents, the Company also publicised the information on the Company's website for approximately 31 days prior to the meeting date and had informed the Stock Exchange of Thailand of such broadcasting.

For the Annual General Meeting, the Company has provided the shareholders with the following information to help them in decision making process:

- Facts and reasons along with the opinion of the Board of Directors for each agenda.
- Important information such as the biography of the person being appointed as a director (for the agenda to appoint the new director as a replacement for the director who retired upon completion of their terms), details of remuneration for directors and sub-committee, etc.
- Proxy of the shareholders in which the Company has provided another alternative for the shareholders to propose at least 1 independent director to be their proxy to attend the meeting and to vote, in case that the shareholder is unable to attend the meeting.

At present the Company has the policy to improve the information in the materials for the shareholders' meeting to be more detailed. The Company realises the importance of the shareholder's right to access the Company's information. Therefore, the Company will add more details of the important agenda to be considered, reasons for necessity, the positive and negative impacts of that agenda.

Furthermore, the Company has facilitated the shareholders and their proxy at each shareholders' meeting by arranging the barcode registration system and the voting form for each agenda.

- During the Meeting

At the shareholders' meeting held in 2011, the Chairman of the Board of Directors acted as Chairman of the meeting with the Chairman of the sub-committee and the Company and the directors attended the meeting (the names were shown in the minutes of meeting) to report or to answer to any questions from the shareholders. Before proceeding with the meeting agenda, the Chairman explained to the meeting the procedure of voting for each agenda and informed the meeting of the voting result after completing the consideration of each agenda.

The Company carried out the meeting according to the agenda stated in the notice summoning the meeting, and allowed the shareholders to vote for the new director according to the agenda to appoint the new director. Furthermore, the Company holds on to the principle in which to give the opportunity to the shareholders to study the information before making decision, and the Company will not add any agenda without informing the shareholders in advance.

During the meeting, the Chairman gave equal opportunity to the shareholders to examine the Company's business operations, to ask questions, and to express their opinions and suggestions. All shareholders, minor and major shareholders, all received the same and equal information about the Company's business operations and financial information, including equal rights to receive dividend.

- After the Meeting

The Company has completely and accurately recorded the minutes of meeting, voting of each agenda and the issues or questions and any opinions from the shareholders. The minutes of shareholders' meeting held in 2011 was submitted to the Stock Exchange of Thailand within 14 days after the meeting date, and also publicised on the Company website, www.sansiri.com, for information and examination by the shareholders.

3. Roles of the Stakeholders

The Company places importance on all groups of its stakeholders regardless of whether they are internal stakeholders such as employees and management of the Company and its subsidiaries, or external stakeholders such as shareholders, customers, competitors, and creditors. The Company is fully aware that support from all stakeholders will enable the Company to build the competitive advantage and create profits, which is the long term success of the Company.

For such purpose, the Company provides fair, transparent, and timely disclosure of the important information to ensure that all stakeholders are treated equally.

Shareholders

The Company aims to ensure that the shareholders receive appropriate returns for their investment by ensuring sound business operation results and continuing business development. The Company also implements effective and efficient internal control system to ensure that the benefits of the Company and the shareholders are protected.

Customers

The Company recognises the importance of the customers and therefore, determines to create customer satisfaction appropriately by offering high quality products and services in response to the customers' needs as a professional.

Employees

The Company recruits and retains the potential and experienced employees with determination to continuously develop and increase the skills of the employees and to encourage the employees to be successful and secure in their profession. The Company treats every employee equally, provides the employees with reasonable welfares and other benefits such as provident fund, health and life insurance, etc.

Management

The Company recognises the importance of the management, which is one of the key success factors, and therefore, has arranged for the appropriate structure of remuneration for the management.

Creditors and Business Partners

The Company operates and deals business with its creditors and all groups of its business partners on the principles of fairness and ethical manners by complying with the laws and regulations and on the agreed terms and conditions.

Competitors

The Company treats its competitors fairly and does not seek for any information of the competitors dishonestly.

Responsibilities to the Community, Society, and Environment

The Company operates its business based on responsibilities, care, and concerns to the overall community, society, and the environment, and also to comply with all relevant laws and regulations.

4. Information Disclosure and Transparency

The Company places importance on the disclosure of information accurately, completely, transparently and freely both for financial statements and general information, and also other information that would impact Company's share price. To ensure that the investors and all other related parties have free access to the information, these information are to be publicised through different media channels such as website of the Stock Exchange of Thailand, form 56-1, annual reports, and at the Annual General Meeting of shareholders.

Moreover, the Company's information which has been reported to the Stock Exchange of Thailand, shareholders and the investors, will be publicised in both Thai and English language on the Company's website www.sansiri.com. This is another communication channel which is very timely and with an easy access for the users. The Company has set up the Investor Relations Department to be responsible for the communication and provision of the Company's information and activities to the shareholders, analysts and other investors, fairly and equally. The role of the Investor Relations also refers to create and ensure positive image and attitude, and confidence from the analysts and investors. The investors or any interested parties can contact the Investor Relations at the telephone number (662) 201-3905 or at the e-mail address: IR@sansiri.com.

The important information of the Company consists of financial statements and other non-financial information in accordance with the regulations of the Securities and Exchange Commission, and the Stock Exchange of Thailand, and also other relevant information. The Company's financial statements which have been reported to the Stock Exchange of Thailand, have been verified and examined by the Company's auditor and have been approved by the Company's Board of Directors. The Board of Directors is responsible for the budget of the Company and its subsidiaries and the financial information that appears on the Annual Report. The financial statements are produced according to accounting principles generally accepted in Thailand and can be applied and implemented on a regular basis. The aforementioned statements require great care and circumspection, and must disclose all significant information related to them in the Notes to the Financial Statements. Furthermore, the Board of Directors has instituted an effective system of internal controls to ensure with reasonable certainty that all accounts are accurate, complete, and adequate for the purpose of maintaining the Company's assets. They must also identify weak points vulnerable to significant occurrences of fraud and dishonest business practices. For this reason, the Board of Directors has appointed an Audit Committee consisting of non-executive directors to examine the quality of the Company's financial reports and system of internal controls. Their opinions in this regard are compiled in the Report of the Audit Committee, which appears on the Annual Report and Form 56-1.

5. Responsibilities of the Board of Directors

5.1 Structure of the Board of Directors

Composition of the Board of Directors

The Company's Board of Directors has been elected by the Annual General Meeting of the Shareholders in accordance with the Company's Article of Association. At present, the Company has total of 10 directors, which is appropriate to the size of business. The Company's Board of Directors comprises of 3 executive directors, outside directors who are non-executive directors, along with audit committee totaling 7 persons. There are 5 independent directors on the board which is more than one third (1/3) of the total numbers of directors on board.

However, non-executive directors and audit committee of the Company hold the knowledgeable with high experience in business, professional managers independent of executive influence. Thus the executive management of the Company is guided and supervised impartially by non-executive directors and audit committee, providing sufficient balance in the opinion of the Company.

The Board of Directors clearly determines and distinguishes the duties and responsibilities of the Board itself, its committees, and the management of the Company. These duties and responsibilities are regularly communicated to the directors, management, and staff of the Company as well.

Qualifications of Independent Directors

Independent director refers to a director whose qualifications are in line with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, as follows:

1. Holds shares not exceeding 1 percent of the total voting shares of the Company, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the Company, provided that the shares held by the related parties of such independent director shall be included.
2. Is not or has never been an executive director, employee, staff, advisor who receives salary, nor controlling parties of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the Company.

3. Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brothers and sisters, and children. The prohibitive persons also include spouses of daughters and sons of management, major shareholders, controlling party or the person who is in the process of nomination to be the management or controlling party of the Company or its subsidiary.
4. Have no or never had business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company in respect of controlling which may harm the independent decision-making, including not being or never been the significant shareholder, or controlling parties of any person having business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company
5. Is not or has never been the auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of Company, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company.
6. Is not or has never been the professional service provider, including but not limited to legal consultant or financial advisor who receives the service fee more than 2 million baht per year from the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the above mentioned service firms.
7. Is not the director who is nominated to be the representative of directors of the Company, major shareholders, or any other shareholders related to the major shareholders.
8. Do not operate the same and competitive business with the business of the Company, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds share for more than 1% of the total voting shares of any other companies which operate same and competitive business with the business of the Company, or its subsidiaries.
9. Is not any otherwise which is unable to have the independent opinion regarding the business operation of the Company.

After being appointed as the independent director in accordance with the conditions under the article (1) - (9), such independent director may be assigned by the Board of Directors to make decision in respect of collective decision on business operation of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of Company.

The definition of independent director of the Company is equal to the minimum requirement of the Securities and Exchange Commission and the Stock Exchange of Thailand.

Separation of control of Chairman of the Board and Managing Director

From the Company structure, the Board of Directors has elected the independent director who has no relations with the management to be Chairman of the Board. The Company determines that the Chairman of the Board of Directors is not the same person as the Managing Director in order to separate duty of making policy and management of the Company's daily business operations.

The Chairman of the Board has leadership and important role in overseeing to ensure that the management manages the Company in accordance with the policy, including to assist, advise, and support the operations of the management. However, the Chairman of the Board of Directors has no participation in the business operations under the responsibilities of the management while the Chief Executive Officer and the President will be responsible for the management of business as appointed and approved by the Board of Directors. Moreover, the Chairman of the Board is also the chairman of the Board of Directors' meeting and the Shareholders' meeting, to ensure that the meetings are carried out smoothly and successfully and also encourage all directors to participate in the meeting.

Company Secretary

The Company has the policy to comply with the new amendment of the Securities and Exchange Act and the good corporate governance principles for the listed Company, by providing the company secretary to be in charge of all corporate secretarial and other related tasks with more efficiency and systematic approach. At present, Mr. Nopporn Boonthanom, the General Counsel Legal Office and Secretary to the Board is appointed by the Board as the Company secretary, taking care of the Company secretary area and is in charge of keeping the Board informed of any necessary laws and regulations and also to manage and ensure that the Board of Directors' meeting and Shareholders' meeting are carried out smoothly and efficiently.

5.2 Sub-committee

The Board of Directors has appointed four committees to assist in corporate administration and supervision consists of (1) the Audit Committee (2) the Compensation Committee and (3) the CSR Committee and (4) the Executive Committee. Details of the roles, responsibilities, and composition of each committee can be found under the topic “1. Management Structure” of the section “Management”. The Chairman of the Board is not either a chairman or a member of any committee to ensure independence of the committees.

5.3 Role, Duty, and Responsibilities of the Board of Directors

The Board of Directors has the obligation and responsibility to perform its duty in accordance with the laws, objectives, regulations, code of conducts, and the resolution of the shareholders' meeting, including to consider and approve the Company's policy and management direction, financial target, and budget. The Board of Directors also oversees and monitors to ensure that the business operations are managed effectively and according to the policy for the utmost benefits of the shareholders under the ethical standards with honesty and carefulness.

Business Ethics

The Board of Directors has clear policies on business ethics, which have been communicated to management and employees on a regular basis. All concerned individuals are expected to adopt these policies and implement them with integrity, honesty, and fairness in their dealings with the Company, interested parties, the public, and society. Interactions between the individuals concerned and other parties are constantly monitored. The Company has compiled and published a code of professional ethics for staff and determined penalties for violating the aforementioned code.

Conflict of Interest

To avoid conflict of interest, the Board of Directors carefully reviews any item that could be construed as a conflict of interest, and to establish written policies and procedures for the authorisation of transactions between related parties. The Article of Association of the Company and its subsidiaries were revised to stipulate that if there is any transaction between the Company and its subsidiaries, or the sale and acquisition of the Company's and its subsidiaries' assets, all transactions must be complied with the guidelines by the Stock Exchange of Thailand regarding the inter-related transaction.

The Board of Directors is aware of each incidence of a potential conflict of interest or inter-related transaction and considers the appropriateness of each occurrence. The Company complies with the principles of the Stock Exchange of Thailand whereby prices and conditions are negotiated strictly on an arm's-length basis. The details of each transaction, its value, the parties involved, and the reason or necessity of the transaction are explained in the Annual Report and Form 56-1. In particular, directors, management and employees are not allowed to consider or vote on matters in which they may have a potential conflict of interest.

Internal Control and Internal Audit

The Company places importance on the effective and appropriate internal control system for business operations, both in the management and operational levels. Therefore, the Company has adjusted the structure of the organisation to be in line with the Company's objectives, business, duty, and responsibilities of each strategic business unit. The Company has also clearly established the written guideline of the obligation, and scope of authority of the staff and management, has the control and monitoring system for the utilisation of the Company's assets, and has clear separation and segregation of duty and obligation for the operators, the monitoring party and the evaluator. This is to balance the power and authorisation and enables appropriate cross examination among all parties involved. Furthermore, the Company also has the internal control of financial system, by setting the financial reporting structure according to the respective management in charge.

The Company conducts investigation to determine that its operations and financial activities are proceeding properly and efficiently, and are compliant with all relevant laws and regulations. In order that the internal auditing unit be independent, capable, and balanced, the Board of Directors has stipulated that its reports must be made directly to the Audit Committee and that its activities be evaluated by the Audit Committee as well.

Risk Management

The Company places great importance on risk management. The risk involved in each corporate activity is evaluated and determined, along with measures to prevent and manage risk and its effect on corporate operations. The task of the management is to assess the economic, financial, social, and legal risks produced by the changes in circumstance, along with their impacts on competitiveness in the industry, and to decide on the appropriate solutions.

5.4 Meetings of the Board of Directors

The normal frequency of meetings of the Board of Directors is on quarterly basis. Other special meetings may be held as the need arises. Each meeting has a clear agenda, determined in advance, part of which is a regular review of operational results. The Secretary to the Board issues invitations to each meeting, along with the meeting agenda and all relevant documents, seven days in advance, so that the directors may have sufficient time to study all pertinent information prior to attending the meeting. Each meeting normally lasts approximately one to two hours. In 2011, the Board of Directors held four regular meetings and nine extraordinary meetings, totaling thirteen meetings. The attendance of each director is as follows:

Details of director and member of each committee attendance records in year 2011

Name		Board of Directors Meeting	Audit Committee Meeting	Compensation Committee Meeting	CSR Committee Meeting
1. Mr. Kovit	Poshyananda	12/13	-	-	-
2. Mr. Apichart	Chutrakul	13/13	-	-	-
3. Mr. Mana	Noppun	13/13	4/4	1/1	-
4. Mr. Jesadavat	Priebjrivat	13/13	4/4	1/1	1/1
5. Mr. Wirat	Uanarumit	9/13	3/4	-	-
6. Mr. Srettha	Thavisin	12/13	-	-	1/1
7. Mr. Wanchak	Buranasiri	13/13	-	-	-
8. Mr. Kriengkrai	Thiennukul	9/13	-	-	-
9. Mrs. Nujchanart	Panthawangkun	7/13	-	-	-
10. Mr. Porntat	Amatavivadhana	10/13	-	1/1	1/1

The Chairman of the Board of Directors has allocated sufficient time for the proposal of issues for consideration of the directors and to encourage the directors to freely and thoroughly discuss the issue. The secretary to the Board takes minutes of the meeting with all important details of the meeting including the discussion of the meeting and the opinion of the directors being clearly recorded. The minutes of the previous meetings which have been approved by the Board of Directors shall be kept and ready for the examination of the directors and other related parties.

5.5 Self Evaluation of the Board of Directors

The Company acknowledges the information about performance evaluation of the Board of Directors in accordance with the regulation set by the Stock Exchange of Thailand. The Company evaluates the performance of the Board of Directors from time to time. However, at present, the Company intends to carefully and appropriately set the guideline for performance evaluation of the Board of Directors, and to use this information to improve efficiency of the Board of Directors.

5.6 Remuneration for Directors and the Management

The Company's remuneration policy for directors is straightforward and transparent. Levels of remuneration are equivalent to the industry standards, high enough to attract and retain directors who possess the desired qualifications, and are approved by the Shareholders' meeting. Directors who are appointed as audit committee are given increased remuneration appropriate to their greater workload.

The Board of Directors appointed the Compensation Committee composed of audit committee and non-executive directors, so as to give impartial and appropriate consideration to the remuneration due to the Board of directors, and independent directors. Their recommendations must then be approved by a meeting of shareholders. Details of the remuneration given to directors and the management are provided under the topic "Management remuneration" of section "Management".

5.7 Development of Directors and Management

Development of Directors

The Company recognised the importance of the directors who are important mechanism for the determination of the Company's policy and plan to achieve corporate business goal and to take care of the benefits of all shareholders who trust and appoint the directors to set the policy and supervise the business affairs operations of the management. Therefore, the Company has aimed to continuously and consistently develop all directors to be knowledgeable in all matters necessary and related to their works and Company's business. This includes support in terms of time allocation and any related expenses for the directors, audit committee, the management, and employees in charge of the corporate secretarial tasks, to attend or participate in the trainings and seminars with various institutions such as the Stock Exchange of Thailand, the Securities and Exchange Commission, Thai

Institute of Directors, and Thai Listed Companies Association. The purpose of the trainings and seminars is to improve knowledge, understanding, and to be informed of any laws, rules, responsibilities, and any useful information which could be utilised and be beneficial for the business in the future.

Moreover, in case of appointment of the new director, the secretary to the Board of Directors as a person in charge of the corporate secretarial tasks of the Company will be preparing the necessary documents and information which are useful and beneficial for the directors to learn and aware of their roles, obligations and responsibilities such as Directors' Manual for Thai Listed Company issued by the Securities and Exchange Commission and the Rules on obligations and responsibilities to disclose reports to the Office on each person's securities holding in accordance with section 59, and its penalty in accordance with section 275 of the Securities and Exchange Act B.E. 2535. These are the details of obligations and responsibilities in which the directors must abide by legally, including the Code of Best Practice which is the guideline for the internationally accepted standards and business practices.

Development of Management and Succession Plan

The Company determines to develop the management from middle level to top level of management for continued business succession plan for the planning and business operations in various functions including product development, sales and marketing, financial, and other supporting functions. The Company set up the committee consisting of top level management as deemed appropriate, and the management of each strategic business unit have meetings to set the working plan and coordination. The Committees include the investment committee considering and making decisions on land purchases or other investment, the committee considering the Company's financial information, and the committee for product development and marketing. These committees comprise of the Chief Executive Officer, President, and the Chief Operating Officer as the core members, with the management of relevant strategic business units as the members of each committee. The Company is confident that this working structure will be a good way to develop the potential of the management as they will have the opportunity to participate and be part of the team to set the plan and business operational process, and also to see and closely work with the management from other strategic business units. Furthermore, it is the opportunity for them to study and learn from the experiences of higher level management in actual business operations. We can see that such working structure, apart from being a good way to develop potential of the management, it

also enables the continuity of business and the succession and transfer of responsibilities between the same level of management in different strategic business units or from the higher level of management without any interruption. This is due to the fact that this working structure does not rely on an individual, but on teamwork. The coordination of each individual in a team working together synchronously has enabled the succession of works gradually in forms of learning and transmission of works, and also the significant responsibilities altogether.

As for the middle level management, the Company also has continued development and succession plans. The top level management of each respective strategic business unit will consider and support their middle management and the staff in their strategic business units who has potential to develop and become their successor. The names of middle level management will be proposed and selected to participate in the SLP (Sansiri Leadership Programme) which is a training programme to support and enhance the potential of middle management in preparation to be the executives. The employees will learn the procedures and strategies of the modern management, including how to become a good and effective management in the future. Furthermore, this is the building of networks for coordination among different strategic business units as the employees who participate in the programme will attend classes and join the activities together. For lower level employees, the Company has a project to select the employees of a high calibre. The top level management from different but related strategic business units will be discussing and select the skilled employees with positive attitude to participate in the training in form of on-the-job training to enable them to grow and become middle management respectively. Apart from the aforementioned projects, the Company also has Management Trainee Project to help employees to learn and understand the process and procedure of business operations of the organisation which will enable the employee to plan and carry out business operations in accordance with the Company's objectives and to help support the development of management.

Moreover, the Company also supports the seminar projects / excursions both domestically and overseas to help improve skills, knowledge and to explore new visions for the employees to apply these skills and knowledge to their works, for example, Managerial Grid or The 7 Habits of Highly Effective People by Stephen R. Covey. All middle level management will have opportunity to attend these important trainings and seminars to improve and develop their skills to be ready to be leaders and the management.

5. Supervising the Use of Inside Information

The Board of Directors and corporate management are obliged to report their holding of the Company's securities to the Securities and Exchange Commission with every change in the holdings of Company shares. This is one measure to enable the Company to determine whether any purchase of shares relied on the use of inside information by the above mentioned persons. The Company had set the policy with regard to the disclosure of significant corporate information by notifying the Board of Directors and the Executives or relevant department heads who may have significant inside information that would affect the security prices, are prohibited to sell or buy the Company's securities during one month prior to the release of financial statements or the inside information to the public, as well as reiterate them to share those information to only among those who need to know. Other executives should only come to know of this information at the same time as it is disclosed to the public. By these methods, the Company believes that if inside information were used for personal gain, the scope of an investigation would be effectively limited and the persons responsible will be quickly identified and penalised.

6. Internal Controls

Sansiri highly recognises the importance of internal control system and ensures the suitable monitoring and supervision to bring about higher efficiency. The Board of Directors has assigned the Audit Committee, which works independently, to regularly oversee and review the internal control system to ensure the appropriateness and effectiveness of the current system. Thus, the internal control system must be efficient enough to protect the assets of Sansiri Group while preventing the misuse of assets by the management. The thorough disclosure is required to ensure transparency and able to be audited, according to Good Corporate Governance practice. This system, therefore, is meant to safeguard the interests of shareholders and provide justice for all groups of stakeholders.

Sansiri's internal control system is set up to harmonise with corporate operations and management in five areas, namely: (1) the organisation and its surroundings; (2) risk management; (3) control of management's operations; (4) information and communication systems; (5) monitoring systems.

The Organisation and its Surroundings

Sansiri has set up the organisation in such a way that the operations of management can be easily controlled while adjusting the organisation chart to enhance flexibility to cope with the changing business environment. The Board of Directors, consists of three directors from management, along with seven outside directors who are either qualified individuals of eminence and Audit Committee. This composition of the Board facilitates checks and balances for fair, effective decision-making. As for the management structure, responsibilities have been clearly divided among three basic areas of internal control, namely authorising, recording financial data and other information, and asset management. In this regard, Sansiri has set up the Office of Internal Audits, which directly reports to the Audit Committee and helps in monitoring, evaluating, and improving the internal control system.

Risk Management

Sansiri's annual business plan sets forth clear and measurable targets conforming to the corporate vision. The analysis of various types of risks is utilised to draw up this annual plan as well as determine the operational strategies, benchmarks, and monitoring tools. An accounting system measures the costs of each business activity on a separate basis, enabling Sansiri to evaluate the gain or loss in each and judge how competitive each is. During implementation of the plan, moreover, the relevant risk factors are regularly monitored and assessed to determine how likely they are to affect operations. If any one factor changes or becomes more prominent than originally anticipated, Sansiri will be able to adjust strategies or institute measures to prevent or prepare for such a risk in time.

Control of Management's Operations

The Board of Directors has appointed two committees, the Audit Committee and the Compensation Committee, both of which strictly adhere to the scope of authority, duties, and responsibilities assigned to them.

Sansiri sets the scope of authority and responsibilities for each function properly, in accordance with the decentralisation and high efficiency. Sansiri constantly monitors the operations of the subsidiaries, and has put in place means whereby to monitor their operations and ensure that both Sansiri and the subsidiaries are in compliance with the regulations and all relevant legislation. Sansiri has, furthermore, determined a clear vision that serves as a guideline directing the work of all units within the organisation, and propagated it throughout the Company on a consistent basis. Sansiri has, besides this, selected a corporate culture and promoted activities that reinforce this culture, thereby promoting the same, harmonious Company-wide values, procedures, and workplace environment. It is this corporate culture that will strengthen the honesty, responsibility, and integrity of all employees and ensure Sansiri's future success.

Information and Communication Systems

In light of the importance of information and communication systems, Sansiri has upgraded our computerised database management system. This new process will facilitate the gathering and management of data as well as improve the accuracy and efficiency of operational reports. Sansiri now possesses, moreover, an internal computer network that links outside agencies to the Company, thus making overall communications within and outside the Company more rapid and effective. These systems have been established with sufficiently elaborate information security safeguards.

Monitoring Systems

The Board of Directors met 13 times in 2011, and the Audit Committee reported on its findings to the Board of Directors every quarter. The management is responsible for examining and monitoring operational results to do an analysis of financial impact on a continual basis. Sansiri holds a meeting of senior management from every department to report on progress according to the corporate plan two or three times a year. This is in addition to the regular monitoring of Sansiri's operational systems and conformity to the plan's benchmarks at various levels of command within the organisation. These meetings facilitate, by other means, the flow of information across departmental boundaries. If any significant defect is found, a report of it is made to the Audit Committee or the Board of Directors for decision and resolution.

During the Board of Directors' meeting # 3/2012 held on 27 February 2012, at which the Audit Committee was present, the Board of Directors and the Audit Committee both assessed the Sansiri's internal control system in accordance with the evaluation form provided by the Securities and Exchange Commission. After interrogating management concerning the five aspects of the internal control system, namely the organisation and its surroundings, risk management, control of management's operations, information and communication systems, and monitoring systems, both bodies agreed that Sansiri Group has complied with generally accepted standards of accounting, the guidelines by the Securities and Exchange Commission, and the regulations of the Stock Exchange of Thailand in making quarterly financial reports, the yearly financial statements, and the consolidated financial statements of the subsidiaries, correctly and consistently. It was agreed that the preparation and disclosure of these financial statements were accurate, adequate, and timely, and that Sansiri's internal control system was sufficient, appropriate, and could be adjusted effectively to changing circumstances. It was agreed, moreover, that by these means Sansiri and subsidiaries would achieve the objectives, and that they were in compliance with all relevant legislation and regulations. Neither body discovered any significant problems or deficiencies that would damage Sansiri's operations.

DIVIDEND PAYMENT POLICY

The Company's dividend policy is to pay dividend at the rate of approximately 50 percent of its consolidated net income after deduction of all reserves as required by laws and the Company. However, such dividend payment shall be conformed to the law and the Articles of Association of the Company as well as subject to the Company and its affiliates' cash flow and investment plans, including justifications and other future considerations as deemed appropriate.

DETAILS ON THE DIRECTORS AND MANAGEMENT

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
1 Mr. Kovit Poshyananda - Chairman of the Board - Independent Director	77	Ph.D. (Economics), Cornell University United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP)	0.121%	Present	Independent Director, Chairman of Audit Committee	Furukawa Metal (Thailand) Company Limited
				Present	Independent Director, Chairman of the Nomination and Remuneration Committee	Bangkok Bank Public Company Limited
				Present	Independent Director, Chairman of Audit Committee	Shangri-La Hotel Public Company Limited
				Present	Vice Chairman	Walailak University
				Present	Independent Director, Chairman of Audit Committee	Glow Energy Public Company Limited
				Present	Director	The Office of the Council States of Thailand
2 Mr. Apichart Chuttrakul - Vice Chairman (Authorised Director)	51	Master of Business Administration University of San Diego United States	2.035%	Present	The Expert on Finance	Office of Insurance Commission
				Present	Chief Executive Officer	Sansiri Public Company Limited
				Present	Member of the Central Land Development Sub-Commission	Real Estate Business Promotion Bureau, Department of Lands
				2009 - Present	Director	National Education Development Company Limited
				2009 - Present	Director	Touch Property Company Limited

Note

^{1/}Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
2 Mr. Apichart Chuttrakul - Vice Chairman (Authorised Director) (Continued)	51	Master of Business Administration University of San Diego United States	2.035%	2008 - Present	Director	Plus Property Space Company Limited
				2008 - Present	Director	Plus Property Venture Company Limited
				2006 - Present	Director	Papanan Limited
				2006 - Present	Director	Pacific Challenge Holding Company Limited
				2006 - Present	Director	Red Lotus Properties Limited
				2003 - Present	Director	Arnawat Limited
				2003 - Present	Director	Piwattana Limited
				2003 - Present	Director	Saith Pattana Personnel Center Limited
				2002 - Present	Director	S.U.N. Management Company Limited
				2002 - Present	Director	Sansiri Venture Company Limited
				2000 - Present	Director	Sansiri Land Limited
				1998 - Present	Director	Plus Property Company Limited
				1990 - Present	Director	Chanachai Limited
				1990 - Present	Director	Rojnaruemit Limited
				2003 - 2008	Director	Siri Phuket Limited

Note

^{1/}Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
3 Mr. Srettha Thavisin - Director (Authorised Director)	49	Master of Business Administration (Finance) Claremont Graduate School United States	2.036%	Present	President	Sansiri Public Company Limited
				2010 - Present	Director	S.U.N. Management Company Limited
				2009 - Present	Director	National Education Development Company Limited
				2008 - Present	Director	Plus Property Space Company Limited
				2008 - Present	Director	Plus Property Venture Company Limited
				2006 - Present	Director	Sansiri Venture Company Limited
				2006 - Present	Director	Pacific Challenge Holding Company Limited
				2006 - Present	Director	Red Lotus Properties Limited
				2003 - Present	Director	Arnawat Limited
				2003 - Present	Director	Piwattana Limited
				2003 - Present	Director	Satit Pattana Personnel Center Limited
				2000 - Present	Director	Sansiri Land Limited
				1998 - Present	Director	Plus Property Company Limited
				1990 - Present	Director	Rojnaruemit Limited
				1990 - Present	Director	Chanachai Limited

Note

^{1/}Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company"// as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
4 Mr. Wanchak Buranasiri - Director (Authorised Director) - Secretary to the Compensation Committee	46	Master of Engineering (Chemical Engineering) Imperial College of Science Technology and Medicine University of London United Kingdom Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP)	1.388%	Present	Chief Operating Officer	Sansiri Public Company Limited
				2009 - Present	Director	National Education Development Company Limited
				2008 - Present	Director	Plus Property Space Company Limited
				2008 - Present	Director	Plus Property Venture Company Limited
				2007 - Present	Director	Touch Property Company Limited
				2006 - Present	Director	Papanan Limited
				2006 - Present	Director	Pacific Challenge Holding Company Limited
				2006 - Present	Director	Red Lotus Properties Limited
				2003 - Present	Director	Arnawat Limited
				2003 - Present	Director	Piwattana Limited
				2003 - Present	Director	Satit Pattana Personnel Center Limited
				2002 - Present	Director	S.U.N. Management Company Limited
				2002 - Present	Director	Sansiri Venture Company Limited

Note

"Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
4 Mr. Wanchak Buranasiri - Director (Authorised Director) - Secretary to the Compensation Committee (Continued)	46	Master of Engineering (Chemical Engineering) Imperial College of Science Technology and Medicine University of London United Kingdom Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP)	1.388%	2000 - Present	Director	Sansiri Land Limited
				1998 - Present	Director	Plus Property Company Limited
				1994 - Present	Director	Rojnaruemit Limited
				1993 - Present	Director	Chanachai Limited
				2003 - 2008	Director	Siri Phuket Limited
5 Mr. Mana Noppun - Chairman of the Audit Committee - Chairman of the Compensation Committee - Independent Director	70	Bachelor of Engineering, Chulalongkorn University Bachelor of Arts in Economics Sukhothai Thammathirat Open University Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Certificate Programme (DCP) - Audit Committee Programme (ACP) - Monitoring Fraud Risk Management (MFM) - Monitoring the Quality of Financial Reporting (MFR) - Monitoring the System of Internal Control and Risk Management (MIR) - Monitoring the Internal Audit Function (MIA)	0.132%	2004 - Present	Sub-committee, Academic Promotion for the officer of BMA	The Bangkok Metropolitan Administration (BMA)
				2002 - Present	State Enterprise Performance Agreement Committee	Ministry of Finance

Note

^{1/}Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company"/ as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
6 Mr. Jesadavat Pribrivat - Independent Director - Member of the Audit Committee - Member of Compensation Committee	54	Master of Business Administration New York University United States	-none-	Present	Chief Financial Officer	CAT Telecom Public Company Limited
		Attended the following Training Course held by the Thai Institute of Directors Association (IOD) :		2008 - 2011	Director	Islamic Bank of Thailand
		- Director Accreditation Programme (DAP) - Director Certification Programme (DCP) - Audit Committee Programme (ACP) - Monitoring the System of Internal Control and Risk Management (MIR) - Monitoring the Internal Audit Function (MIA) - Monitoring the Quality of Financial Reporting (MRF) - Monitoring Fraud Risk Management (MFM) - Role of the Chairman Programme (RCP)		2001 - 2007	Senior Executive Vice President	MFC Asset Management Public Company Limited

Note

"Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
7 Mr. Wirat Uanarumit - Independent Director - Member of the Audit Committee	49	Master of Business Administration The Pennsylvania State University United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Certificate Programme (DCP) - Audit Committee Programme	-none-	2005 - present	Executive Vice President	PTT Public Company Limited
				2011	Senior Executive Vice President - Corporate Accounting and Finance	IRPC Public Company Limited
				2005 - 2011	Assistant Managing Director - Finance	Thai Oil Public Company Limited
8 Mr. Kriengkrai Thiennukul - Director	52	Bachelor of Arts in Economics Thammasat University Attended the Leadership Programme Capital Market Academy Attended the Training Course held by the National Defense College Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Certification Programme (DCP) - Audit Committee Programme (ACP)	0.066%	Present	Deputy Secretary	The Federation of Thai Industries
				Present	Vice President	Suankularb College Alumni Association under the Royal Patronage
				Present	Managing Director	New Waitek Company Limited

Note

^{1/}Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
8 Mr. Kriengkrai Thiennukul - Director (Continued)	52	Bachelor of Arts in Economics Thammasat University Attended the Leadership Programme Capital Market Academy Attended the Training Course held by the National Defense College Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Certification Programme (DCP) - Audit Committee Programme (ACP)	0.066%	Present	Independent Director	PTT Global Chemical Public Company Limited
				Present	Executive Director	Prestige Direct Marketing Company Limited
				Present	Executive Director	Prestige Gift and Premium Company Limited
				Present	Executive Director	Milk Plus
				Present	Executive Director	Media Shaker Company Limited
				Present	Executive Director	Bangkok Binding Company Limited
				2009 - Present	Member of The Board	The Thammasat Economics Association
				2008 - 2010	Member of The Board	Thailand Institute of Scientific and Technological Research (TISTR)
				2006 - 2010	Chairman	The Printing and Paper Packing Industry Club (FTI)
				2006 - 2010	Advisor	Committee Checks and Follow Work Police Administration Bangrak Metro Police
				2006 - 2009	Member of The Board	Metropolitan Electricity Authority (MEA)
				2006 - 2008	Member of The Board	Office of Small and Medium Enterprises Promotion
				2005 - 2008	Board of Executive Committee	The Federation of Thai Industries
				2005 - 2008	Chairman	The Federation of Thai Printing Industry Foundation
				2001 - 2008	President	The Thai Printing Association

Note

^{1/}Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
9 Mrs. Nujchanart Panthawangkun - Director	41	Master of Business Administration MIT Sloan School of Management Massachusetts Institute of Technology United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP) - Director Certification Programme (DCP)	-none-	2009 - Present	Director, Accounting, Finance and Investment Committee	The General Insurance Association
				2005 - Present	Chief Executive Officer	VIG Car Rent (Sxt Thailand)
				2002 - Present	Assistant Managing Director, Finance and Investment Department Head	The Viriyah Insurance Company Limited
10 Mr. Porntat Amatavivadhana - Independent Director - Member of Compensation Committee	42	Master of Science in Management Boston University United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP) - Audit Committee Programme (ACP) - Director Certification Programme (DCP)	-none-	2008 - Present	Director	Eurotech Engineering International Company Limited
				2007 - Present	Chief Executive Officer	Infinite Capital Company Limited
				2008 - 2011	Director	K-Tech Construction Public Company Limited

Note

^{1/}Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
11 Mr. Thalin Aeimittiwat - Member of the Executive Committee - Secretary to the Audit Committee	50	Master of Business Administration Western Michigan University United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP)	0.040%	Present	Senior Executive Vice President-Accounting Department	Sansiri Public Company Limited
				2008 - Present	Director	Sansiri Venture Company Limited
				2006 - Present	Director	Red Lotus Properties Limited
				2003 - Present	Director	Arnawat Limited
				2003 - Present	Director	Plwattana Limited
12 Mr. Uthai Uthaisangskul - Member of the Executive Committee	43	Master of Business Administration Middle Tennessee State University United States	0.075%	2000 - Present	Director	Rojnaruemit Limited
				2000 - Present	Director	Chanachai Limited
				2003 - 2009	Director	Satit Pattana Personnel Center Limited
				Present	Senior Executive Vice President - Business Development and Project Development Division (High Rise)	Sansiri Public Company Limited
				2011 - Present	Senior Executive Vice President - Marketing Communication Division Director	Papanan Limited
				2008 - Present	Director	Sansiri Venture Company Limited

Note

^{1/}Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
12 Mr. Uthai Uthaisangsuk - Member of the Executive Committee (Continued)	43	Master of Business Administration Middle Tennessee State University United States	0.075%	2006 - Present	Director	Red Lotus Properties Limited
				2006 - Present	Director	Arnawat Limited
				2004 - Present	Director	Sansiri Land Limited
13 Mr. Metha Angwatanapanich - Member of the Executive Committee	44	Master of Business Administration National Institute of Development Administration (NIDA)	0.008%	2004 - Present	Director	S.U.N. Management Company Limited
				Present	Senior Executive Vice President - Business Development and Project Development Division (Low Rise)	Sansiri Public Company Limited
				2011 - Present	Director	Papanan Limited
				2009 - Present	Director	Piwattana Limited
14 Mr. Monthian Soisuan - Member of the Executive Committee	59	Diploma Graduate in Business Administration (MINIMBA) Thammasat University	-none-	2009 - Present	Director	Arnawat Limited
				Present	Executive Vice President - Project Support Division	Sansiri Public Company Limited
				2009 - Present	Managing Director	Plus Property Company Limited
				2009 - Present	Managing Director	Touch Property Company Limited

Note

^{1/}Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
15 Mr. Nopporn Boonthanom - Member of the Executive Committee - Company Secretary	47	Master of Law Chulalongkorn University Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP)	0.029%	Present	General Counsel / Legal Office	Sansiri Public Company Limited
				2010 - Present	Director	S.U.N. Management Company Limited
				2009 - Present	Director	National Education Development Company Limited
				2008 - Present	Director	Sansiri Venture Company Limited
				2006 - Present	Director	Red Lotus Properties Limited
16 Mr. Manu Trakulwattanakit - Member of the Executive Committee	51	Master of Business Administration National Institute of Development Administration (NIDA)	0.011%	2003 - Present	Director	Arnawat Limited
				2003 - Present	Director	Piwattana Limited
				2003 - Present	Director	Satit Pattana Personnel Center Limited
				2000 - Present	Director	Rojnaruemit Limited
				2000 - Present	Director	Chanachai Limited
				Present	Executive Vice President - Project Management and Marketing Department (Low Rise 3)	Sansiri Public Company Limited
					Executive Vice President - Product Development Department (Low Rise)	
					Executive Vice President - Design Solution Department	
					Executive Vice President - Production Cost Management Department	

Note

^{1/}Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
17 Mr. Somchai Charntanawet - Member of the Executive Committee	51	Master of Business Administration Chulalongkorn University	0.040%	Present	Executive Vice President - Finance and Information Technology Department	Sansiri Public Company Limited
18 Mrs. Anongluk Rathprasert - Member of the Executive Committee - Secretary to the Executive Committee	52	Bachelor of Arts (Business Administration) Suan Sunandha Rajabhat University	0.002%	Present	Senior Vice President - Customer Relations and Human Resources Department	Sansiri Public Company Limited
19 Mr. Suriya Wannabuit - Executive Vice President - Project Management and Marketing Department (Low Rise 4, 5)	41	Master of Business Administration Chulalongkorn University	0.001%	Present	Executive Vice President - Project Management and Marketing Department (Low Rise 4, 5)	Sansiri Public Company Limited
				2008 - 2010	Managing Director	Piwattana Limited
				2008 - 2010	Managing Director	Amawat Limited
				2007 - 2008	Executive Vice President	Pruksa Real Estate Public Company Limited
20 Miss Vilasinee Dejamomthan - Senior Vice President - Project Management and Marketing Department (Low Rise 2)	40	Master of Business Administration Assumption University	-none-	Present	Senior Vice President - Project Management and Marketing Department (Low Rise 2)	Sansiri Public Company Limited
21 Mr. Chookiat Jomthong - Senior Vice President - Government Affairs Department	44	Bachelor of Law Thammasat University	-none-	Present	Senior Vice President - Government Affairs Department	Sansiri Public Company Limited

Note

^{1/}Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
22 Mr. Supol Sombathwichathon - Senior Vice President - Quality Control and Estimate Department	52	Executive Master of Business Administration (XMBA) Thammasat University	0.004%	Present	Senior Vice President - Quality Control and Estimate Department	Sansiri Public Company Limited
23 Mr. Apisit Srisakulpong - Senior Vice President - Project Management Department (High Rise 1)	46	Master of Business Administration Chulalongkorn University	0.013%	Present	Senior Vice President - Project Management Department (High Rise 1)	Sansiri Public Company Limited
24 Mr. Tasanin Maha - amatayattibodee - Senior Vice President - Home Care Department	48	Bachelor of Architecture King Mongkut's Institute of Technology Ladkrabang	-none-	Present	Senior Vice President - Home Care Department	Sansiri Public Company Limited
25 Miss Dusadee Tancharoen - Senior Vice President - Marketing and Product Development Division (High Rise) and Marketing Communication Division	40	Bachelor of Arts Chulalongkorn University	0.009%	Present	Senior Vice President - Marketing and Product Development Division (High Rise) Senior Vice President - Marketing Communication Division	Sansiri Public Company Limited

Note

^{1/}Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
26 Mr. Pornchai Chaimongkolsub - Senior Vice President - Project Management and Marketing Department (Low Rise 1)	45	Bachelor of Arts (Business Administration) Bangkok University	0.008%	Present	Senior Vice President - Project Management and Marketing Department (Low Rise 1)	Sansiri Public Company Limited
27 Mrs. Sirindra Mongkolnavin - Vice President - Corporate Planning and Investor Relations and Organisation Development Department	39	Master of Business Administration Tepper School of Business Carnegie Mellon University United States	-none-	Present	Vice President - Corporate Planning and Investor Relations Department Vice President - Organisation Development Department	Sansiri Public Company Limited
28 Mr. Samatcha Promsiri - Vice President - Corporate Marketing Department	38	Master of Arts (International Relations) University of Nottingham United Kingdom Master of Arts (International Political Economy) University of Warwick United Kingdom	-none-	Present	Vice President - Corporate Marketing Department	Sansiri Public Company Limited

Note

^{1/}Including the shares held by spouse and minor children

Name - Present Position in Company	Age	Highest Academic Qualifications	% of shares held in the company ^{1/} as of 31 Dec 2011	Working Experience During The Past 5 years (As of 4 January 2012)		
				Period	Position	Company (Type of Business)
29 Mr. Prasert Trakranvachirahut - Vice President - Project Procurement Department	39	Master of Business Administration National Institute of Development Administration (NIDA)	0.010%	Present	Vice President - Project Procurement Department	Sansiri Public Company Limited
30 Miss Suwannee Mahanarongchai - Vice President - Plus and Touch Business Support Department (Research- Business Development and Consultant)	36	Master of Business Administration (Finance) Assumption University	0.011%	Present	Vice President - Plus and Touch Business Support Department (Research- Business Development and Consultant)	Sansiri Public Company Limited
				2007 - 2008	Director - Business Development Department	Plus Property Company Limited
31 Mr. Piti Jarukamjorn - Vice President - Project Management Department (High Rise 2)	34	Master of Engineering (Construction Management) North Carolina State University United States	0.003%	Present	Vice President - Project Management Department (High Rise 2)	Sansiri Public Company Limited

Note

^{1/}Including the shares held by spouse and minor children

DETAILS ON THE MANAGEMENT OF THE SUBSIDIARIES OR RELATED COMPANIES

(As of 31 December 2011)

The names of the Companies		Subsidiaries																
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
The names of the Management		Sansiri PCL	Chanachai Limited	Rojnaruenmit Limited	Arnawat Limited	Piwattana Limited	Satit Pattana Personnel Center Limited	Red Lotus Properties Limited	Sansiri Venture Co.,Ltd.	SUN Management Co.,Ltd.	Plus Property Co.,Ltd.	Sansiri Land Limited	Plus Property Venture Co.,Ltd.	Papanan Limited	Pacific Challenge Holding Co.,Ltd.	Touch Property Co.,Ltd.	Plus Property Space Co.,Ltd.	National Education Development Co.,Ltd.
1	Mr. Kovit	X, /	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Mr. Apichart	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
3	Mr. Srettha	/	/	/	/	/	/	/	/	/	/	/	/	-	/	-	/	/
4	Mr. Wanchak	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
5	Mr. Mana	XO, /	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Mr. Jesadavat	/, O	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Mr. Wirat	/, O	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Mr. Kriengkrai	/	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Mrs. Nujchanart	/	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Mr. Porntat	/	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note

X = Chairman of the Board

XO = Chairman of Audit Committee

/ = Director

O = Member of Audit Committee

The names of the Companies			Subsidiaries															
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
The names of the Management		Sansiri PCL	Chanachai Limited	Rojnaruenmit Limited	Arnawat Limited	Piwattana Limited	Satit Pattana Personnel Center Limited	Red Lotus Properties Limited	Sansiri Venture Co.,Ltd.	SUN Management Co.,Ltd.	Plus Property Co.,Ltd.	Sansiri Land Limited	Plus Property Venture Co.,Ltd.	Papanan Limited	Pacific Challenge Holding Co.,Ltd.	Touch Property Co.,Ltd.	Plus Property Space Co.,Ltd.	National Education Development Co.,Ltd.
	11	Mr. Thalin	-	/	/	/	-	/	/	/	-	-	-	-	-	-	-	-
	12	Mr. Uthai	-	-	/	-	/	/	/	/	-	/	-	/	-	-	-	/
	13	Mr. Metha	-	-	/	-	-	-	-	-	-	-	-	/	-	-	-	-
	14	Mr. Monthian	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	15	Mr. Nopporn	-	/	/	/	/	/	/	/	-	-	-	-	-	-	-	/
	16	Mr. Manu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	17	Mr. Somchai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	18	Mrs. Anongluk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	19	Mr. Suriya	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Ms. Vilasinee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
21	Mr. Chookiat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
22	Mr. Supol	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Note

X = Chairman of the Board

XO = Chairman of Audit Committee

/ = Director

O = Member of Audit Committee

(As of 31 December 2011)

The names of the Companies		Subsidiaries																
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
The names of the Management		Sansiri PCL	Chanachai Limited	Rojnaruemit Limited	Arnawat Limited	Piwattana Limited	Satit Pattana Personnel Center Limited	Red Lotus Properties Limited	Sansiri Venture Co.,Ltd.	SUN Management Co.,Ltd.	Plus Property Co.,Ltd.	Sansiri Land Limited	Plus Property Venture Co.,Ltd.	Paparan Limited	Pacific Challenge Holding Co.,Ltd.	Touch Property Co.,Ltd.	Plus Property Space Co.,Ltd.	National Education Development Co.,Ltd.
	23	Mr. Apisit																
	24	Mr. Tasanin																
	25	Ms. Dusadee																
	26	Mr. Pornchai																
	27	Mrs. Sirindra																
	28	Mr. Samatcha																
	29	Mr. Prasert																
	30	Ms. Suwannee																
31	Mr. Piti																	

Note

X = Chairman of the Board

XO = Chairman of Audit Committee

/ = Director

O = Member of Audit Committee

DETAILS ON THE SUBSIDIARIES DIRECTOR

(As of 31 December 2011)

The name of Subsidiaries		Subsidiaries															
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
	Name of the Director	Chanachai Limited	Rojnaruenmit Limited	Arnawat Limited	Piwattana Limited	Satit Pattana Personnel Center Limited	Red Lotus Properties Limited	Sansiri Venture Company Limited	S.U.N. Management Company Limited	Plus Property Company Limited	Sansiri Land Limited	Plus Property Venture Company Limited	Papanan Limited	Pacific Challenge Holding Company Limited	Touch Property Company Limited	Plus Property Space Company Limited	National Education Development Co.,Ltd.
1	Mr. Apichart Chutrakul	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
2	Mr. Srettha Thavisin	/	/	/	/	/	/	/	/	/	/	/	-	/	-	/	/
3	Mr. Wanchak Buranasiri	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
4	Mr. Thalin Aeimitiwat	/	/	/	/	-	/	/	/	-	-	-	-	-	-	-	-
5	Mr. Nopporn Boonthanom	/	/	/	/	/	/	/	/	-	-	-	-	-	-	-	/
6	Mr. Uthai Uthaisangasuk	-	-	/	-	/	/	/	/	-	/	-	/	-	-	-	/
7	Mr. Metha Angwatanapanich	-	-	/	/	-	-	-	-	-	-	-	/	-	-	-	-

Note

/ = Director

In 2011, the changes of subsidiaries' directors are as follows:

- Mr. Uthai Uthaisanguk registered as a director of Papanan Limited on 18 August 2011.
- Mr. Metha Angwatanapanich registered as a director of Papanan Limited on 18 August 2011.

(As of 31 December 2011)

Subsidiaries

The name of Subsidiaries		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Name of the Director		Chanachai Limited	Rojnaruemit Limited	Arnawat Limited	Piwattana Limited	Satit Pattana Personnel Center Limited	Red Lotus Properties Limited	Sansiri Venture Company Limited	S.U.N. Management Company Limited	Plus Property Company Limited	Sansiri Land Limited	Plus Property Venture Company Limited	Papanan Limited	Pacific Challenge Holding Company Limited	Touch Property Company Limited	Plus Property Space Company Limited	National Education Development Co.,Ltd.
8	Mr. Monthian	-	-	-	-	-	-	-	-	/	-	-	-	-	-	-	-
9	Mrs. Pakpilai	-	-	-	-	-	-	-	-	-	-	-	/	-	-	-	-
10	Mrs. Ob-oom	-	-	-	-	-	-	-	-	-	/	-	-	-	/	-	-
11	Mr. Poomipak	-	-	-	-	/	-	-	-	-	-	-	-	-	-	-	/
12	Mrs. Nirada	-	-	-	-	/	-	-	-	-	-	-	-	-	-	-	/
13	Mr. Chan	-	-	-	-	-	-	-	-	-	-	-	-	-	/	-	-
14	Mr. Jirayu	-	-	-	-	-	-	-	-	-	-	-	-	-	/	-	-
15	Mr. Chatchai	-	-	-	-	-	-	-	-	-	-	-	-	-	/	-	-

Note

/ = Director

In 2011, the changes of subsidiaries' directors are as follows:

- Mr. Uthai Uthaisangsuk registered as a director of Papanan Limited on 18 August 2011.
- Mr. Metha Angwatanapanich registered as a director of Papanan Limited on 18 August 2011.

INTER-RELATED TRANSACTION

During the financial year ended on 31 December 2011, the Company and its subsidiaries had no inter-related transaction with major shareholders, directors, and related persons.

Policies or Tendency for Inter-Related Transactions in Future

The Company's policy is to engage in transactions to the extent that such transactions serve the best interests of the Company at the time. The conditions applicable to such transactions are those that obtain during normal periods of business, at normal market rates, for entities or businesses that are non-related.

For future inter-related transactions, the Audit Committee and the Company will jointly ensure that they comply with the laws and regulations pertaining to securities, guidelines set by the Stock Exchange of Thailand, as well as the requirement regarding the disclosure of such transactions and the acquisition or sale of assets belonging to the Company and its subsidiaries.

TABLE OF KEY FINANCIAL RATIOS

		AUDITED		
		2011	2010	2009
Liquidity Ratio				
Current Ratio	Times	2.17	2.58	1.79
Quick Ratio	Times	0.20	0.33	0.29
Operating Cashflow to Total Debt	Times	(0.12)	(0.13)	0.12
Accounts Receivable Turnover	Times	419.42	388.91	54.65
Collection Period	Days	0.86	0.93	6.59
Inventory Turnover	Times	0.54	0.60	0.59
Inventory Turnover	Days	668.50	603.25	606.17
Accounts Payable Turnover	Times	8.92	11.94	13.65
Payment Period	Days	40.37	30.14	26.38
Cash Cycle	Days	628.99	574.03	586.38
Profitability Ratio				
Gross Profit Margin (of Core Revenue)	%	34.23	32.56	29.48
Gross Profit Margin (of Revenue from Project Sales)	%	34.69	33.47	29.66
Net Profit Margin	%	9.74	10.12	6.07
Return on Equity	%	19.35	21.44	12.14
Efficiency Ratio				
Return on Total Assets	%	5.98	6.66	3.85
Return on Fixed Assets	%	67.49	66.34	43.88
Asset Turnover	Times	0.61	0.65	0.63
Financial Ratio				
Debt-to-Equity	Times	2.18	2.30	2.12
Gearing Ratio	Times	1.63	1.55	1.27
Net Gearing Ratio	Times	1.38	1.20	0.86
Interest Coverage	Times	3.40	5.27	4.41
Payout Ratio	%	50.00	50.00	50.00
Per Share*				
Book Value per Share	Baht	1.62	1.37	1.40
Earnings per Share	Baht	0.29	0.27	0.16
Dividend per Share	Baht	0.14	0.29**	0.13

		AUDITED		
		2011	2010	2009
Growth Ratio				
Total Assets	%	16.18	20.98	4.97
Total Liabilities	%	14.34	24.02	4.09
Total Shareholders' Equity	%	20.43	14.50	6.89
Revenue from Sales and Services	%	10.47	17.52	29.47
Operating Expenses	%	26.57	33.05	4.74
Net Profit	%	6.18	95.70	4,455.91

** Per share ratios were adjusted according to a 4-for-1 stock split with par value changing from 4.28 baht per share to 1.07 baht per share, which became effective on 10 October 2011.*

*** 2010 Dividend payment: Annual General Meeting of the shareholders approved dividend payment from earnings of 2010 in terms of stock and cash dividend as shown below:*

1. Paid stock dividend to the Company's shareholders with a ratio of 6 existing shares per 1 dividend share, equivalent to payment of 1.061775 baht per share

2. Paid cash dividend of 0.117975 baht per share in order to cover the payment of 10% withholding tax

The Company's shareholders will receive dividend both stock dividend and cash dividend worth of 1.17975 baht per share

MANAGEMENT DISCUSSION AND ANALYSIS

Major Development in 2011

1. Change in Accounting Policy

During the year 2010, the Federation of Accounting Professions issued 32 revised and new accounting standards, 28 of which are effective for fiscal years beginning on or after 1 January 2011 whereas 3 of which are effective for fiscal years beginning on or after 1 January 2013 with A Framework for the Preparation and Presentation of Financial Statements (revised 2009), becoming effective immediately. In this regard, Sansiri and its subsidiaries adopted a number of revised and new accounting standards. Sansiri's management also believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied, except for the following accounting standards which management expects the impact on the financial statements in the year when they are adopted.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences, which are differences between the carrying amount of an asset or liability in the accounting records and its tax basis, and to recognise deferred tax as assets or liabilities under the stipulated guidelines. At present, the management is evaluating the impact on the financial statements in the year when this standard is adopted.

TAS 19 Employee Benefits

This accounting standard requires employee benefits to be recognised as expense in the period in which the service is performed by the employee. In particular, an entity has to evaluate and make a provision for post-employment benefits using actuarial techniques. Currently, Sansiri records such employee benefits when they are incurred. Sansiri and its subsidiaries have changed this accounting policy in the current year and recognise the liability in the transition period through an adjustment to the beginning balance of retained earnings in the current year. The change has the effect of decreasing the profit of Sansiri and its subsidiaries for the year 2011 by 3.40 million baht or 0.0005 baht per share. As a result of the adoption of this new accounting standard, the cumulative effect of the changes in the accounting policies, which has been separately presented in the statements of changes in shareholders' equity, was to decrease the beginning balance of consolidated retained earnings for 2011 by 24.96 million baht.

TAS 40 (revised 2009) Investment Property

This accounting standard requires entities to classify property held for rental income or obtaining increased value in the future as investment property. There are options for entity to present the investment property at cost (but the entity has to present the fair value in notes to the financial statements) or at fair value which the differences arising from change in the fair value will be recorded as gain or loss in the income statements.

As Sansiri and its subsidiaries elect to present the investment property at cost, the adoption of this accounting standard in 2011 will affect the financial statements only for reclassification of certain amount in the financial statements for the year ended 31 December 2010 and disclosure of fair value of the investment property in notes to the financial statements.

2. Change in Par Value

The Extraordinary Meeting of Shareholder held on 27 September 2011 approved the change in par value of Sansiri share from 4.28 baht per share to 1.07 baht per share. In this event, the amount of the Company's registered capital remains unchanged at 11,641,589,650.96 baht, but the value and number of ordinary registered shares of the Company will be split from the existing 2,719,997,582 shares of 4.28 baht per share to 10,879,990,328 shares of 1.07 baht per share. On 5 October 2011, Sansiri completed the registration of the change in par value from 4.28 baht per share to 1.07 baht per share with the Department of Business Development, Ministry of Commerce.

Summary of Market Condition for the Year 2011 and Economic Outlook for the Year 2012

In 2011, Thai economy expanded by 0.1 percent (Source: Office of the National Economic and Social Development Board or NESDB), as a result of the flood during the third quarter to the fourth quarter. Export value in terms of US dollars increased by 16.4 percent while private investment grew by 7.2 percent. Tourism industry also expanded with the increasing number of tourists to 19.1 million in 2011, or a 19.8 percent growth from the previous year. Despite private consumption expenditure slightly grew by 1.3 percent, there were many supporting factors for consumption expansion in the next period including low unemployment rate at 0.7 percent, comprised with government stimulus measures such as increases in minimum wage rate and government officer's starting salary, tax deduction for first home buyer and tax rebate for first car buyer.

The flood crisis caused customers to defer making decisions, supported by the reduction in housing transfer in Bangkok and vicinities area by 32.3 percent compared to the same period of last year. In the fourth quarter of 2011, mortgages expanded by 7.7 percent, a

declining rate from that of the previous quarter, as consumers focused more on repairing and renovating their current residences rather than buying new houses. Nonetheless, real estate sector expanded by 3.5 percent in 2011.

Based on the report by the Real Estate Information Center (REIC), the number of new registration units in Bangkok and vicinities in 2011 was at 81,521 units, a 24 percent decrease from 106,896 units in the previous year. Condominium market had the highest decreasing rate by 43 percent, due to developers' concerns about oversupply situation. In addition, as a result of the flood crisis which affected developers to delay their construction, the number of new registration units in Bangkok and vicinities in the fourth quarter of 2011 decreased dramatically by 62.9 percent.

The NESDB forecasts that Thai economy in 2012 will expand in the range of 5.5 to 6.5 percent with supportive factors including the expansion in construction investment from both public and private sector especially in reconstruction of current infrastructure that was damaged by the flood and investment in new infrastructure for future flood protection. Moreover, household income is likely to improve at a satisfactory rate especially from the government income restructuring policy and the lowering cost of living and consumption stimulating measures such as an increase of minimum wage to 300 baht per day, a rise in government officers' income to 15,000 baht per month for all personnel with a bachelor's degree, and the tax refund for the first car buyers (not more than 100,000 baht per unit). The easy monetary policy and the low interest rate will remain the key supportive factors for continuous economic recovery in 2012.

Financial Results

Total revenue in 2011 amounted to 20,680 million baht, a 10 percent increase from 18,755 million baht in 2010. The key drive was the 11 percent growth in revenue from project sales in consequence of successful launches and ownership transfer of single-detached house, townhouse, and condominium projects, comprised with the 17 percent increase in revenue from business management and 18 percent increase in revenue from other property services. In this regard, revenue from project sales remained the core revenue representing 96 percent of total revenue.

Revenue from Property Development for Sale

The breakdown of revenue from property for sales during 2009 – 2011 is as follows:

	2011		2010		2009	
	Million Baht	%	Million Baht	%	Million Baht	%
Single-detached houses	7,099	35.9	6,788	38.0	5,341	35.4
Townhouses	3,372	17.1	3,081	17.2	2,648	17.5
Condominiums	9,262	46.8	7,988	44.7	7,086	46.9
Others	37	0.2	12	0.1	29	0.2
Total	19,769	100.0	17,869	100.0	15,104	100.0

In 2011, revenue from project sales of Sansiri and subsidiaries amounted to 19,769 million baht, an 11 percent increase from 17,869 million baht in 2010. To the 2011 total revenue from project sales, 9,262 million baht revenue from condominium projects contributed 47 percent, 7,099 million baht revenue from single-detached house projects contributed 36 percent, with the balance of 3,372 million baht from townhouse projects contributed 17 percent.

Revenue from single-detached house projects in 2011 increased by 5 percent to 7,099 million baht. The revenue from five single-detached house projects, namely Setthasiri Chaiyapruerk-Changwattana, Baan Sansiri Sukhumvit 67, Habitia Panyaindra 2, Burasiri Ngamwongwan-Prachachuen, and Saransiri Thakham - Rama 2, altogether contributed 2,911 million baht or 15 percent of total revenue from project sales.

The proportion of revenue from townhouse projects in 2011 remained at 17 percent, the same as that of 2010 and 2009. In 2011, revenue from townhouse projects increased by 9 percent to 3,372 million baht. The major contributor was revenue from five townhouse projects and two home office projects, altogether contributed 2,306 million baht or 12 percent to total revenue from project sales. In this regard, the biggest contributor to revenue from townhouse in 2011 was Town Plus X Prachachuen with the amount of 513 million baht.

Revenue from condominium projects grew by 16 percent from 7,988 million baht in 2010 to 9,262 million baht in 2011 due to the ownership transfer of six newly completed condominium projects, including Hive Taksin and The Vertical Aree in the first half of the year and four projects in the latter half of the year; dcondo Onnuch-Suvarnabhumi, dcondo Ramindra, Blocs 77, and Quattro by Sansiri. Revenue from these six projects contributed 7,962 million baht or 40 percent of total revenue from project sales. In addition, Quattro by Sansiri with average price of 10 million baht per unit was the biggest contributor to 2011 total revenue with realised revenue of 3,113 million baht.

Revenue from Property Services

In 2011, revenue from projects for rent was 156 million baht, a 22 percent decrease from that of the previous year, due to the sale of two projects for rent; Baan Sansiri Sukhumvit 67 and SIRI Apartment. For the year 2011, revenue from business management was 438 million baht, a 17 percent increase from 376 million baht in 2010; mainly from an increase of average property management's fee by Plus Property Company Limited. In the same way, revenue from other services including revenue from medical spa business, hotel business, and education business, was 178 million baht, an 18 percent growth from 152 million baht in the previous year, due to a 39 percent increase in revenue from education business from that of the year 2010. A significant growth in revenue from education business was from an increase in number of new students, leading to continuously increasing revenue for Sansiri. Moreover, the higher occupancy rate of hotel in 2011 resulted in a 19 percent increase of revenue from hotel business.

Cost of Goods Sold and Operating Expenses

Cost of Project Sales and Other Costs

For the year 2011, cost of project sales amounted to 12,912 million baht, a 9 percent increase over 2010, in accordance with an increase in revenue from projects sale. Gross profit margin of project sales improved from 33.5 percent in 2010 to 34.7 percent in 2011 thanks to the higher gross profit margin of condominium projects of 38.5 percent, compared to 35.1 percent in 2010. The higher gross profit margin was driven by not only the better construction management of condominium projects, resulting in the ownership transfer to customers ahead of plan, but also the efficient construction technology that shortens construction period of single-detached house and townhouse projects. Consequently, shortened construction period has led to decreasing financial cost and higher gross profit margin. However, Cost of projects for rent decreased by 42 percent, corresponding to the decreasing revenue from rental business. In 2011, cost of business management decreased from 301 million baht in 2010 to 288 million baht, caused by operational improvement and efficient manpower management as well as negotiation with outsiders to pay lower fee, together with a decrease in cost of system development. Cost of other services

including medical spa, hotel business, and education business increased by 12 percent, due to the purchase of school equipment and recruitment cost, serving an increase in number of students and classes.

Selling, General and Administrative Expenses

In 2011, selling and administrative expenses were at 4,166 million baht, or 20.1 percent of total revenue, compared to 17.5 percent of total revenue in 2010. Selling expenses were at 2,112 million baht or 10.2 percent of total revenue in 2011, compared to 9.1 percent of total revenue or 1,706 million baht in 2010 due to an increase in business tax and transfer fee which corresponded to the higher number of housing units transferred, as well as the marketing expenses associated to the launches of new projects and sale promotion. In terms of administrative expenses (including management benefit expenses) in 2011, were at 2,054 million baht or a 9.9 percent of total revenue, increased from an 8.5 percent of total revenue in 2010 due to business expansion and additional expenses for flood management to assist our customers and staff.

Financial Cost

In 2011, financial cost decreased from 245 million baht in 2010 to 222 million baht, due to a decrease in undeveloped plots of land.

Net Profit

For the year 2011, Sansiri and subsidiaries reported net profit of 2,015 million baht, a 6 percent growth from 1,898 million baht in 2010, with the net profit margin of 9.7 percent of total revenue, whereas operating profit margin was at 14.0 percent of total revenue.

In 2011, the effective corporate income tax was at 28 percent of earnings before corporate income tax, in consequence of a change in accounting policy to realise revenue from project sales by transfer method in the fourth quarter of 2010. Unlike accounting practice which uses transfer of ownership as the basis for revenue recognition, the Revenue Department views that revenue will be recorded using accrual basis. In 2011, Sansiri still had condominium projects using percentage of completion method until the projects are completed such as The Vertical Aree, Blocs 77, and Quattro by Sansiri. For these projects, corporate income tax has been gradually recorded corresponding to percentage of completion prior to 2011, whereas revenues have been realised in 2011 upon transfer. Consequently, there has been a discrepancy between revenue from project sales by accounting practices and by tax purpose. For a year that the value of housing transfer is greater than the expected revenue using percentage of completion method, the effective corporate tax will be less than 30 percent of earnings before corporate income tax.

Assets

Total assets of Sansiri and subsidiaries as of 31 December 2011 amounted to 36,238 million baht, an increase of 5,047 million baht from that of 31 December 2010, due to an increase of 3,277 million baht in property development for sale as a result of several housing units under construction, which will be transferred to customers in the future. Furthermore, Sansiri and subsidiaries have made a deposit for potential land plots for property development and purchased assets, resulting in an increase of assets by 1,592 million baht from the year 2010. Sansiri also used cash in operating activities, making cash and cash equivalents decreased by 468 million baht. Total current assets as of 31 December 2011 amounted to 32,293 million baht, an increase of 4,603 million baht from that of 31 December 2010.

Total non-current assets as of 31 December 2011 was at 3,944 million baht, increased by 444 million baht corresponding to an increase in investment properties by 359 million baht as a result of the purchase of Siripinyo Building by Papanan Limited (Sansiri's subsidiary) with the purpose of holding a full right over the building. Sansiri also increased an investment in land, building and equipment by 491 million baht, mainly from investment in factory and office building to support current operation.

Liabilities

Total liabilities of Sansiri Group amounted to 24,860 million baht as of 31 December 2011, an increase of 3,117 million baht over the same period of last year. Total current liabilities increased by 4,122 million baht to 14,868 million baht whereas total non - current liabilities decreased by 1,004 million baht to 9,992 million baht, as promissory notes to purchase land become due within one year as well as 3-year unsecured debentures with no debenture holders' representative issued in 2009 will be due in June 2011. In order to accommodate business expansion, Sansiri raised 2,000 million baht in 2011 by issuing two tranches of 5-year unsecured debentures with no debenture holders' representative at fixed interest rate of 5.6 percent per annum in year 1-3 and 6.0 percent per annum in year 4-5 with issue size of 1,000 million baht each. The debenture issuance not only helped Sansiri to diversify risk by increasing the portion of fix interest rate loan, but also helped mitigate risk of higher interest rate in the future. Besides, to better manage financial cost corresponding to the higher minimum loan rate (MLR) in 2011, Sansiri issued bills of exchange amounted to 600 million baht at fix interest rate of 5.0 percent per annum.

In this regard, the interest bearing debt increased from 14,677 million baht as of 31 December 2010 to 18,564 million baht as of 31 December 2011. The debt-to-equity ratio was 2.18 times with the interest-bearing debt-to-equity ratio (Gearing ratio) of 1.63 times.

Shareholders' Equity

As of 31 December 2011, Shareholders' Equity increased to 11,378 million baht, an increase of 1,930 million baht from the previous year, mainly driven by the 2011 net profit of 2,015 million baht. Based on the 2010 financial result, Sansiri paid out stock dividend of 250.99 million shares worth of 1,599 million baht, comprised with cash dividend of 178 million baht in 2011.

Cashflow

During the past 3 years, the movement of cash flow has been summarised as follows:

	Unit: million baht		
	31 Dec 2011	31 Dec 2010	31 Dec 2009
Net cash provided by (used in) operating activities	(2,966.24)	(2,844.09)	2,091.67
Net cash provided by (used in) investing activities	(428.09)	(163.70)	(371.33)
Net cash provided by (used in) financing activities	2,907.93	2,932.80	(258.51)
Cash and cash equivalents at end of the year	2,863.36	3,331.31	3,439.23

For the year 2011, beginning balance of cash was 3,331 million baht with net cash used in operating activities and investing activities of 2,966 million baht and 428 million baht respectively, and net cash provided by financing activities of 2,908 million baht, resulting in the ending cash balance of 2,863 million baht. For operating activities, cash outflow as development costs for property development for sale and land deposits amounted to 15,581 million baht and 1,591 million baht consequently with the decrease of "Advances received from customers and unearned income" to be realised as revenue of 875 million baht. For investing activities, cash outflow was from the purchase of office building and equipment totaling 1,109 million baht while cash inflow was from the sale of Baan Sansiri Sukhumvit 67 and other projects amounting to 650 million baht. For financing activities, cash inflow from debenture issuance and loans amounted to 11,894 million baht while cash outflow for loan repayment including interest payment to financial institutions was 9,504 million baht. In 2011, cash outflow for dividend payment was 178 million baht.

Sources of Funds

In 2011, key sources of funds include project financing loans from financial institutions, debenture issuance, short-term financial instruments such as promissory notes and bills of exchange, and down payment collection from project sales together with the cash inflow upon housing transfer. The project financing loans for property development increased from 10,488 million baht as of 31 December 2010 to 10,750 million baht as of 31 December 2011 whereas proceeds from debenture issuance amounted to 5,970 million baht in 2011. The uses of funds could be summarised as loan repayment to financial institutions, land acquisitions, and working capital for personnel development and computer system upgrade.

Financial Ratios

Liquidity Ratio

The liquidity ratio of Sansiri Group decreased from 2.58 times as of 31 December 2010 to 2.17 times as of 31 December 2011, due to a 38 percent increase in the current liabilities since long-term loans and unsecured debentures becoming due within one year increased by 1,453 million baht and 998 million baht respectively, together with a 17 percent growth in the current assets comparing to the previous year, due to an increase in property development for sale at 25,616 million baht as of 31 December 2011.

Return on Equity

The return of equity for the year 2011 was 19.35 percent, decreased from 21.44 percent in 2010, due to a decrease in net profit margin from 10.12 percent in 2010 to 9.74 percent in 2011. The decrease in net profit margin was from an increase in operating expenses corresponding to business expansion and more investment in assets; however, these invested assets will generate revenue in the future. As a result, return on assets in 2011 was 5.98 percent, decreasing from 6.6 percent in 2010. The debt-to-equity ratio was 2.18 times, improved from 2.30 times in 2010.

FINANCIAL STATEMENTS

Report of Independent Auditor

To the Shareholders of Sansiri Public Company Limited

I have audited the accompanying consolidated statement of financial position of Sansiri Public Company Limited and its subsidiaries as at 31 December 2011, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and have also audited the separate financial statements of Sansiri Public Company Limited for the same year. These financial statements are the responsibility of the management of the Company and its subsidiaries as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit. The consolidated financial statements of Sansiri Public Company Limited and its subsidiaries and the separate financial statements of Sansiri Public Company Limited for the year ended 31 December 2010, as presented herein for comparative purposes, were audited by another auditor of our firm who expressed an unqualified opinion on those statements but draw attention to the change in accounting policy for recognition of revenue from sales of real estate, under his report dated 28 February 2011.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sansiri Public Company Limited and its subsidiaries and of Sansiri Public Company Limited as at 31 December 2011, the results of their operations, and cash flows for the year then ended, in accordance with generally accepted accounting principles.

Without qualifying my opinion on the aforementioned financial statements, I draw attention to Note 3 to the financial statements. During the current year, the Company adopted a number of revised and new accounting standards as issued by the Federation of Accounting Professions, and applied them in the preparation and presentation of its financial statements.



Rungnapa Lertsuwankul

Certified Public Accountant (Thailand) No. 3516
Ernst & Young Office Limited
Bangkok: 27 February 2012

Sansiri Public Company Limited and its subsidiaries
Statements of financial position
31 December 2011 and 2010

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Assets					
Current assets					
Cash and cash equivalents	9	2,863,358,197	3,331,313,418	1,707,871,908	2,050,506,554
Current investments		104,898,606	140,745,560	101,946,782	125,856,081
Trade accounts receivable	11	47,547,987	50,404,764	7,680,720	18,287,376
Prepaid expenses		26,058,446	22,821,545	129,260,632	9,591,021
Current portion of loans to related parties	8.3	-	-	2,050,000,000	3,407,878,321
Property development for sale	12	25,616,043,872	22,339,201,935	19,521,447,462	15,089,115,102
Advance payment to contractors		1,435,265,238	1,270,489,497	911,587,907	969,544,760
Deposits for land and purchase of assets		2,076,016,344	484,639,988	1,761,805,014	416,655,968
Dividend receivable		-	-	-	300,000,000
Other current assets		124,137,262	50,287,895	88,462,487	60,322,414
Total current assets		<u>32,293,325,952</u>	<u>27,689,904,602</u>	<u>26,280,062,912</u>	<u>22,447,757,597</u>

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Statements of financial position (continued)
31 December 2011 and 2010

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Non-current assets					
Restricted bank deposits	10	50,643,138	47,752,192	6,773,258	6,713,016
Loans to related parties					
- net of curren portion	8.3	-	-	2,279,597,190	-
Investments in subsidiaries	13	-	-	960,076,709	1,078,314,209
Other investments		330,400	330,400	330,400	330,400
Investment properties	14	676,666,635	317,454,051	-	142,018,295
Land held for development	15	700,982,440	802,613,631	382,035,201	233,999,250
Land, building and equipment	16	1,880,794,277	1,389,502,458	826,134,270	501,390,407
Goodwill	17	141,253,448	141,253,448	-	-
Other intangible assets	18	39,270,884	40,291,677	31,208,995	30,142,255
Leasehold rights	19	384,709,701	666,623,275	-	252,424,841
Other non-current assets		69,702,272	94,730,247	33,668,845	47,552,964
Total non-current assets		<u>3,944,353,195</u>	<u>3,500,551,379</u>	<u>4,519,824,868</u>	<u>2,292,885,637</u>
Total assets		<u><u>36,237,679,147</u></u>	<u><u>31,190,455,981</u></u>	<u><u>30,799,887,780</u></u>	<u><u>24,740,643,234</u></u>

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Statements of financial position (continued)
31 December 2011 and 2010

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	20	1,246,600,000	215,000,000	1,246,600,000	83,000,000
Bills of exchange	20	596,428,571	-	596,428,571	-
Accounts payable	21	974,677,444	804,687,542	738,399,868	491,169,681
Current portion of long-term loans	23	6,448,177,184	4,991,809,367	5,353,464,770	2,808,797,218
Short-term loans from related parties	8.3	-	-	-	15,300,000
Short-term promissory notes - purchase of land	22	787,600,000	463,250,000	787,600,000	463,250,000
Unsecured debentures - due within one year	26	998,486,770	-	998,486,770	-
Corporate income tax payable		381,389,671	244,572,845	178,179,715	15,934,542
Short-term provisions	25	84,322,080	77,464,576	41,781,836	44,395,846
Unearned income	12.5	1,962,800,983	2,840,541,001	1,711,533,218	1,702,450,333
Other current liabilities					
Rental fees received in advance		68,590,026	65,580,689	1,142,080	9,444,653
Construction retention		290,258,667	212,326,257	203,923,919	110,256,739
Accrued expenses		538,464,059	442,785,050	425,021,315	314,258,858
Accrued construction costs		383,604,214	287,668,855	184,673,654	155,177,287
Others		106,892,185	100,944,199	54,583,626	44,804,068
Total current liabilities		14,868,291,854	10,746,630,381	12,521,819,342	6,258,239,225

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Statements of financial position (continued)
31 December 2011 and 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
Non-current liabilities					
Deferred leasehold revenue		599,996,242	641,866,458	-	-
Long-term promissory notes					
- purchase of land	22	-	787,600,000	-	787,600,000
Long term loans - net of current portion	23	4,302,053,971	5,495,747,248	2,688,845,932	4,844,759,360
Unsecured debentures	26	4,971,831,694	3,974,205,776	4,971,831,694	3,974,205,776
Provision for long-term employee benefits	24	24,956,955	-	16,783,752	-
Long-term provisions	25	53,037,020	52,572,835	28,629,701	34,439,903
Other non-current liabilities		39,784,095	44,166,483	15,204,416	35,896,016
Total non-current liabilities		<u>9,991,659,977</u>	<u>10,996,158,800</u>	<u>7,721,295,495</u>	<u>9,676,901,055</u>
Total liabilities		<u>24,859,951,831</u>	<u>21,742,789,181</u>	<u>20,243,114,837</u>	<u>15,935,140,280</u>

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Statements of financial position (continued)
31 December 2011 and 2010

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2011	2010	2011	2010
Shareholders' equity					
Share capital	27				
Registered					
10,879,990,328 ordinary shares of Baht 1.07 each (2010: 3,736,263,038 ordinary shares of Baht 4.28 each)		11,641,589,651	15,991,205,803	11,641,589,651	15,991,205,803
Issued and paid-up					
7,053,228,452 ordinary shares of Baht 1.07 each (2010: 1,490,633,692 ordinary shares of Baht 4.28 each)		7,546,954,444	6,379,912,202	7,546,954,444	6,379,912,202
Share premium		550,246,830	12,522,600	550,246,830	12,522,600
Calls in arrears		-	4,268,000	-	4,268,000
Retained earnings					
Appropriated - statutory reserve	28	501,074,022	400,319,958	501,074,022	400,319,958
Unappropriated		2,797,154,108	2,681,946,363	1,958,497,647	2,008,480,194
Other components of shareholders' equity		(18,180,227)	(31,164,428)	-	-
Equity attributable to owners of the Company		11,377,249,177	9,447,804,695	10,556,772,943	8,805,502,954
Non-controlling interest of subsidiaries		478,139	(137,895)	-	-
Total shareholders' equity		11,377,727,316	9,447,666,800	10,556,772,943	8,805,502,954
Total liabilities and shareholders' equity		36,237,679,147	31,190,455,981	30,799,887,780	24,740,643,234

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Statements of comprehensive income
For the years ended 31 December 2011 and 2010

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2011	2010	2011	2010
Revenues					
Revenues from project sales		19,769,383,825	17,868,994,031	9,791,087,128	9,782,047,755
Revenues from projects for rent		156,095,131	199,462,227	62,057,810	114,820,706
Revenues from business management		438,016,097	375,776,686	56,007,455	93,088,688
Revenues from other services	30	178,347,934	151,545,843	18,268,431	15,166,900
Other revenues					
Interest income		25,811,301	23,212,927	188,765,360	161,618,068
Dividend income		16,520	6,947,033	1,124,016,520	1,426,547,033
Gain on exchanges		1,631,114	-	11,576,806	-
Others		111,514,882	129,020,411	116,703,591	82,167,155
Total revenues		20,680,816,804	18,754,959,158	11,368,483,101	11,675,456,305
Expenses					
Cost of project sales		12,912,372,015	11,888,339,968	6,166,795,836	6,480,059,956
Cost of projects for rent		92,193,144	158,534,450	34,809,423	114,418,592
Cost of business management		288,284,134	301,020,593	9,175,639	21,187,862
Cost of other services	30	216,568,489	193,261,087	17,801,343	21,193,560
Selling expenses		2,112,180,601	1,706,169,411	1,298,958,980	1,033,171,458
Administrative expenses		2,053,722,327	1,585,164,552	1,473,204,564	1,082,472,557

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Statements of comprehensive income (continued)
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
Other expenses					
Loss on diminution in value of property development and investment properties (reversal)	12.4	(11,348,249)	15,366,515	(11,348,249)	(3,590,000)
Loss on impairment of goodwill, investments and loans to subsidiaries	8.3,13,17	-	61,503,116	11,300,000	120,600,000
Loss on exchanges		-	-	-	30,082,286
Total expenses		<u>17,663,972,461</u>	<u>15,909,359,692</u>	<u>9,000,697,536</u>	<u>8,899,596,271</u>
Profit before finance cost and corporate income tax		<u>3,016,844,343</u>	<u>2,845,599,466</u>	<u>2,367,785,565</u>	<u>2,775,860,034</u>
Finance cost		<u>(222,381,270)</u>	<u>(245,182,266)</u>	<u>(132,230,199)</u>	<u>(174,915,023)</u>
Profit before corporate income tax		<u>2,794,463,073</u>	<u>2,600,417,200</u>	<u>2,235,555,366</u>	<u>2,600,945,011</u>
Corporate income tax		<u>(778,765,749)</u>	<u>(702,324,586)</u>	<u>(392,765,789)</u>	<u>(179,574,433)</u>
Profit for the year		<u>2,015,697,324</u>	<u>1,898,092,614</u>	<u>1,842,789,577</u>	<u>2,421,370,578</u>

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Statements of comprehensive income (continued)
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
<u>Note</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Other comprehensive income:				
Exchange differences on translation of financial statements in foreign currency	12,984,201	(32,925,312)	-	-
Surplus on changes in value of available-for-sale investments	-	2,232,860	-	-
Other comprehensive income for the year	<u>12,984,201</u>	<u>(30,692,452)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>2,028,681,525</u>	<u>1,867,400,162</u>	<u>1,842,789,577</u>	<u>2,421,370,578</u>
Profit attributable to:				
Equity holders of the Company	2,015,081,290	1,897,732,044	<u>1,842,789,577</u>	<u>2,421,370,578</u>
Non-controlling interest of the subsidiaries	<u>616,034</u>	<u>360,570</u>		
	<u>2,015,697,324</u>	<u>1,898,092,614</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	2,028,065,491	1,867,039,592	<u>1,842,789,577</u>	<u>2,421,370,578</u>
Non-controlling interest of the subsidiaries	<u>616,034</u>	<u>360,570</u>		
	<u>2,028,681,525</u>	<u>1,867,400,162</u>		

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Statements of comprehensive income (continued)
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
<u>Note</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Earnings per share 29.2				
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.29</u>	<u>0.27</u>	<u>0.26</u>	<u>0.35</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>0.27</u>	<u>0.27</u>	<u>0.25</u>	<u>0.35</u>

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Cash flow statements
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Cash flows from operating activities				
Profit before tax	2,794,463,073	2,600,417,200	2,235,555,366	2,600,945,011
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Decrease in property development for sale from transferring to cost of project sales	12,912,372,015	11,888,339,968	6,166,795,836	6,480,059,956
Depreciation of investment properties	20,587,366	31,893,595	1,592,778	19,195,345
Depreciation of land, building and equipment	239,568,730	162,831,598	110,025,868	62,615,579
Amortisation of intangible assets	6,178,072	10,266,321	3,992,100	5,700,340
Amortisation of leasehold rights	46,652,562	48,932,824	19,780,631	22,060,893
Loss on sale of equipment	51,633,717	3,855,224	(5,779,306)	144,420
Gain on sale of property development for rent	(253,777,234)	(141,626,944)	(250,405,580)	(141,626,944)
Loss from impairment of goodwill, investments and loans to subsidiaries	-	61,503,116	11,300,000	120,600,000
Allowance for doubtful accounts (reversal)	(4,529,752)	7,505,633	(3,757,221)	3,284,320
Leasehold revenue amortisation	(41,870,216)	(41,870,216)	-	-

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Cash flow statements (continued)
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Loss from impairment of goodwill, investments and loans to subsidiaries	-	61,503,116	11,300,000	120,600,000
Allowance for doubtful accounts (reversal)	(4,529,752)	7,505,633	(3,757,221)	3,284,320
Leasehold revenue amortisation	(41,870,216)	(41,870,216)	-	-
Provision for long-term employee benefits	3,396,187	-	2,030,638	-
Unrealised (gain) loss on exchanges	-	-	(9,934,207)	30,351,623
Loss on diminution in value of property development for sale and investment properties (reversal)	(11,348,249)	15,366,515	(11,348,249)	(3,590,000)
Unrealised loss on exchange in value of investments	11,716	-	11,716	-
Homecare warranty and compensation for Housing Estate Juristic Persons expenses	83,120,936	85,594,013	34,673,732	50,093,549
Dividend income	(16,520)	(6,947,033)	(1,124,016,520)	(1,426,547,033)
Interest expense	222,381,270	245,182,266	132,230,199	174,915,023
Profit from operating activities before changes in operating assets and liabilities	16,068,823,673	14,971,244,080	7,312,747,781	7,998,202,082

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Cash flow statements (continued)
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
(Increase) decrease in operating assets				
Trade accounts receivable	7,386,529	(12,685,301)	14,363,877	1,076,747
Property development for sale	(15,581,123,729)	(15,028,600,008)	(10,315,573,009)	(9,660,293,887)
Deposits for land	(1,591,376,356)	(249,596,058)	(1,345,149,046)	(234,411,602)
Other current assets	(241,862,009)	(553,881,731)	23,724,364	(688,682,844)
Other non-current assets	22,198,813	(10,865,396)	13,103,174	6,763,819
Increase (decrease) in operating liabilities				
Trade accounts payable	169,989,902	(27,240,027)	247,230,187	52,212,229
Promissory notes - purchase of land	(463,250,000)	-	(463,250,000)	-
Advances received from customers and unearned income	(874,730,681)	(1,144,654,992)	780,312	(615,837,524)
Other current liabilities	181,013,359	172,368,499	182,653,533	110,856,363
Other liabilities	(21,358,639)	(8,030,029)	(25,318,282)	(10,322,333)
Cash flows used in operating activities	(2,324,289,138)	(1,891,940,963)	(4,354,687,109)	(3,040,436,950)
Income tax paid	(641,948,923)	(952,152,649)	(230,520,616)	(424,833,320)
Net cash used in operating activities	<u>(2,966,238,061)</u>	<u>(2,844,093,612)</u>	<u>(4,585,207,725)</u>	<u>(3,465,270,270)</u>

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Cash flow statements (continued)
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Cash flows from investing activities				
(Increase) decrease in current investments	35,835,238	(96,617,530)	23,897,583	(97,446,526)
Increase in restricted bank deposits	(2,890,946)	(5,336,102)	(60,242)	-
Payment on purchase of interest in subsidiaries and increase capital	-	-	(4,062,500)	(113,984,200)
Cash received from return of capital of a subsidiary	-	-	121,000,000	-
(Increase) decrease in loans to related parties	-	14,700,000	(921,886,228)	(842,709,251)
Payment on purchase of investment	(555,144,326)	(2,851,926)	-	(1,640,685)
Payment on purchase of equipment	(553,544,128)	(540,409,525)	(486,317,592)	(163,121,426)
Payment on purchase of intangible assets	(5,157,280)	(19,305,572)	(5,058,840)	(17,026,426)
Proceeds from sales of investment properties	649,809,039	342,127,469	612,809,039	342,127,469
Proceeds from sales of equipment	2,987,614	5,099,400	979,010	1,138,527
Proceeds from sales of leasehold rights	-	-	176,297,681	-
Proceeds from redeem of available-for-sale investment	-	131,944,219	-	131,944,219
Dividend income	16,520	6,947,033	1,124,016,520	1,126,547,033
Decrease in dividend receivable	-	-	300,000,000	-
Net cash from (used in) investing activities	<u>(428,088,269)</u>	<u>(163,702,534)</u>	<u>941,614,431</u>	<u>365,828,734</u>

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Cash flow statements (continued)
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Cash flows from financing activities				
Increase (decrease) in short-term loans from banks	1,031,600,000	82,500,000	1,163,600,000	(49,500,000)
Increase in bills of exchange	596,428,571	-	596,428,571	-
Decrease in short-term loans from related parties	-	-	(15,300,000)	-
Proceeds from debentures issuance	1,987,160,000	2,975,925,000	1,987,160,000	2,975,925,000
Increase in long-term loans	8,875,205,684	8,652,892,997	5,566,288,838	6,259,239,100
Repayment of long-term loans	(8,617,992,794)	(6,709,363,032)	(5,177,534,714)	(3,957,482,250)
Repayment of other payable - Property Fund	-	(848,742,859)	-	(848,742,859)
Payment of interest expenses	(886,043,926)	(540,145,775)	(741,251,770)	(410,017,592)
Dividend paid	(177,676,576)	(766,267,032)	(177,676,576)	(766,267,032)
Payment of finance lease payables	(2,457,575)	(3,568,014)	(2,457,575)	(2,421,269)
Proceeds from capital increase	101,701,874	89,572,000	101,701,874	89,572,000
Net cash from financing activities	<u>2,907,925,258</u>	<u>2,932,803,285</u>	<u>3,300,958,648</u>	<u>3,290,305,098</u>
Translation adjustment	18,445,851	(32,925,312)	-	-
Net increase (decrease) in cash and cash equivalents	<u>(467,955,221)</u>	<u>(107,918,173)</u>	<u>(342,634,646)</u>	<u>190,863,562</u>
Cash and cash equivalents at beginning of the year	3,331,313,418	3,439,231,591	2,050,506,554	1,859,642,992
Cash and cash equivalents at end of the year	<u>2,863,358,197</u>	<u>3,331,313,418</u>	<u>1,707,871,908</u>	<u>2,050,506,554</u>

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Cash flow statements (continued)
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Supplementary cash flows information				
Non-cash item:				
Purchase of land by issuance of promissory notes	-	1,250,850,000	-	1,250,850,000
Interest recorded as cost of projects	744,166,096	340,606,516	650,060,916	261,343,472

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity
For the years ended 31 December 2011 and 2010

(Unit: Baht)

Consolidated financial statements												
Equity attributable to the parent's shareholders												
	Note	Retained earnings					Other components of equity					
		Issued and paid-up share capital	Share premium	Calls in arrears	Appropriated statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Surplus (deficit) on change in value of available-for-sale investments	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interest of the subsidiaries	Total shareholders' equity
Balance as at 31 December 2009												
- as previously reported												
		6,307,130,802	-	-	279,251,429	3,544,663,250	1,760,884	(2,232,860)	(471,976)	10,130,573,505	(6,473,557)	10,124,099,948
	5	-	-	-	-	(1,873,113,370)	-	-	-	(1,873,113,370)	-	(1,873,113,370)
Balance as at 31 December 2009												
- as restated												
		6,307,130,802	-	-	279,251,429	1,671,549,880	1,760,884	(2,232,860)	(471,976)	8,257,460,135	(6,473,557)	8,250,986,578
	22	-	-	-	-	-	-	-	-	-	5,975,092	5,975,092
	34	-	-	-	-	(766,267,032)	-	-	-	(766,267,032)	-	(766,267,032)
		72,781,400	12,522,600	4,268,000	-	-	-	-	-	89,572,000	-	89,572,000
		-	-	-	-	1,897,732,044	(32,925,312)	2,232,860	(30,692,452)	1,867,039,592	360,570	1,867,400,162
		-	-	-	121,068,529	(121,068,529)	-	-	-	-	-	-
Balance as at 31 December 2010												
		6,379,912,202	12,522,600	4,268,000	400,319,958	2,681,946,363	(31,164,428)	-	(31,164,428)	9,447,804,695	(137,895)	9,447,666,800
Balance as at 31 December 2010												
		6,379,912,202	12,522,600	4,268,000	400,319,958	2,681,946,363	(31,164,428)	-	(31,164,428)	9,447,804,695	(137,895)	9,447,666,800
	5	-	-	-	-	(22,646,307)	-	-	-	(22,646,307)	-	(22,646,307)
	34	1,074,230,682	524,565,916	-	-	(1,598,796,598)	-	-	-	-	-	-
	34	-	-	-	-	(177,676,576)	-	-	-	(177,676,576)	-	(177,676,576)
	27	92,811,560	13,158,314	(4,268,000)	-	-	-	-	-	101,701,874	-	101,701,874
		-	-	-	-	2,015,081,290	12,984,201	-	12,984,201	2,028,065,491	616,034	2,028,681,525
		-	-	-	100,754,064	(100,754,064)	-	-	-	-	-	-
Balance as at 31 December 2011												
		75,46,954,444	550,246,830	-	501,074,022	2,797,154,108	(18,180,227)	-	(18,180,227)	11,377,249,177	478,139	11,377,727,316

The accompanying notes are an integral part of the financial statements.

Sansiri Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity (continued)
For the years ended 31 December 2011 and 2010

(Unit: Baht)

Separate financial statements

	Note	Other components of equity						
		Retained earnings				Other comprehensive income		
		Issued and paid-up share capital	Share premium	Calls in arrears	Appropriated-statutory reserve	Unappropriated	Surplus (deficit) on change in value of available-for-sale investments	Total shareholders' equity
Balance as at 31 December 2009 - as previously reported		6,307,130,802	-	-	279,251,429	1,951,785,846	(2,232,860)	8,535,935,217
Cumulative effect of the changes in accounting policy for recognition of revenue from sales of real estate	5	-	-	-	-	(1,477,340,669)	-	(1,477,340,669)
Balance as at 31 December 2009 - as restated		6,307,130,802	-	-	279,251,429	474,445,177	(2,232,860)	7,058,594,548
Dividend paid	34	-	-	-	-	(766,267,032)	-	(766,267,032)
Increase capital		72,781,400	12,522,600	4,268,000	-	-	-	89,572,000
Total comprehensive income for the year		-	-	-	-	2,421,370,578	2,232,860	2,423,603,438
Statutory reserve		-	-	-	121,068,529	(121,068,529)	-	-
Balance as at 31 December 2010		6,379,912,202	12,522,600	4,268,000	400,319,958	2,008,480,194	-	8,805,502,954
Balance as at 31 December 2010		6,379,912,202	12,522,600	4,268,000	400,319,958	2,008,480,194	-	8,805,502,954
Cumulative effect of the changes in accounting policy for long-term employee benefits	5	-	-	-	-	(15,544,886)	-	(15,544,886)
Stock dividend	34	1,074,230,682	524,565,916	-	-	(1,598,796,598)	-	-
Dividend paid	34	-	-	-	-	(177,676,576)	-	(177,676,576)
Increase capital	27	92,811,560	13,158,314	(4,268,000)	-	-	-	101,701,874
Total comprehensive income for the year		-	-	-	-	1,842,789,577	-	1,842,789,577
Statutory reserve		-	-	-	100,754,064	(100,754,064)	-	-
Balance as at 31 December 2011		7,546,954,444	550,246,830	-	501,074,022	1,958,497,647	-	10,556,772,943

The accompanying notes are an integral part of the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2011 AND 2010

1. Corporate information

Sansiri Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company operates in Thailand and is principally engaged in property development.

The Company's top 5 major shareholders as at 26 January 2012, the latest closing date of the shares register book, are as following:

	Percentage of shareholding (base on paid-up capital)
1. Mr. Srettha Thavisin Group	20.08
2. CHASE NOMINEES LIMITED 42	7.43
3. Viriyah Insurance Company Limited	6.24
4. UBS AG SINGAPORE BRANCH	5.89
5. Finansa Life Insurance Company Limited	3.54

The registered office of the Company is at 475, Siripinyo Building, Sri Ayutthaya Road, Phayathai, Rajthevi, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation had been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Sansiri Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2011	2010
			Percent	Percent
<u>Directly owned</u>				
Chanachai Ltd.	Property development	Thailand	100	100
Plus Property Co., Ltd.	Property development	Thailand	100	100
Sansiri Venture Co., Ltd.	Property development	Thailand	100	100
S.U.N. Management Co., Ltd.	Property development	Thailand	100	100
Arnawat Ltd.	Property development	Thailand	100	100
Piwattana Ltd.	Property development	Thailand	100	100
Red Lotus Properties Ltd.	Property development	Thailand	100	100
Pacific Challenge Holding Co., Ltd.	Property development	Thailand	85	85
Sansiri Global Investment Pte. Ltd.	Property development	Singapore	100	100
Plus Property Space Co., Ltd.	Property development	Thailand	100	-
Papanan Ltd.	Property development, provision of medical service, aesthetics, health care and medical spa	Thailand	100	100
National Education Development Co., Ltd.	Holder of Satit Pattana School's license	Thailand	100	100
Satit Pattana Personnel Center Ltd.	Provision of administrative services to Satit Pattana School	Thailand	100	100
Rojnaruemit Ltd.	Dormant	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2011	2010
			Percent	Percent
<u>Indirectly owned</u>				
Plus Property Venture Co., Ltd.	Property development	Thailand	100	100
Sansiri Land Ltd.	Property development	Thailand	100	100
Touch Property Co., Ltd.	Property development	Thailand	100	100
Plus Property Space Co., Ltd.	Property development	Thailand	-	100
Sansiri Guernsey (2009) Limited	Property development	Guernsey	100	100
Satit Pattana School	Education business	Thailand	100	100

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

g) Acquisition of interest of a subsidiary in 2010.

On 2 March 2010, the meeting of the Company's board of directors passed a resolution approving the Company's acquisition of 490,000 ordinary shares of S.U.N. Management Co., Ltd. at a total price of Baht 14,984,200 from its non-controlling shareholders, representing 49 percent of issued and paid up share capital of such company. On 30 June 2010, the Company paid for those ordinary shares, resulting in an increase in its shareholding in that company from 51 percent to 100 percent.

The net asset value of S.U.N. Management Co., Ltd. as at the date of investment was as detailed below.

(Unit: Thousand Baht)

Assets

Cash and deposits at banks	54,748
Current assets	16,936
Non-current assets	158,028
Total assets	229,712

Liabilities

Current liabilities	4,636
Non-current liabilities	237,270
Total liabilities	241,906
Net assets value	(12,194)

(Unit: Thousand Baht)

Percentage of holding (percent)	49
Net assets value at the Company's investments portion	(5,975)
Purchase price	14,984
Difference from purchase of interest in a subsidiary	20,959

The difference from purchase of interest of a subsidiary was recorded as an expenses in profit or loss.

- 2.3 The separate financial statements, which present investments in subsidiaries under the cost method, have been prepared solely for the benefit of the public.

3. Adoption of new accounting standards during the year

During the current year, the Company and its subsidiaries adopted a number of revised and new accounting standards, issued by the Federation of Accounting Professions, as listed below.

Accounting standards:

TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property

Financial reporting standards:

TFRS 2	Share-Based Payment
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources

Financial Reporting Standard Interpretations:

TFRIC 15	Agreements for the Construction of Real Estate
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Accounting Standard Interpretations:

SIC 31	Revenue-Barter Transactions Involving Advertising Services
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These accounting standards do not have any significant impact on the financial statements, except for the following accounting standards.

TAS 19 Employee Benefits

This accounting standard requires employee benefits to be recognised as expense in the period in which the service is performed by the employee. In particular, an entity has to evaluate and make a provision for post-employment benefit using actuarial techniques. The Company and its subsidiaries previously accounted for such employee benefits when they were incurred.

The Company and its subsidiaries have changed this accounting policy in the current year and recognise the liability in the transition period through an adjustment to the beginning balance of retained earnings in the current year. The change has the effect of decreasing the profit of the Company and its subsidiaries for the year 2011 by Baht 3.40 million, (Baht 0.0005 per share) (Separate financial statements: decreasing profit by Baht 2.03 million, or Baht 0.0003 per share). The cumulative effect of the changes in the accounting policy has been presented in Note 5 to the financial statements.

TAS 40 (revised 2009) Investment property

This accounting standard requires entities to classify property held for rental income or obtaining increased value in the future as investment property. There are options for entity to present the investment property at cost (but the entity has to present the fair value in notes to the financial statements) or at fair value which the differences arising from change in the fair value will be recorded as gain or loss in profit or loss.

Since the Company and its subsidiaries elect to present the investment property at cost, the adoption of this accounting standard in 2011 will affect the financial statements only for reclassification of certain amount in the financial statements for the year ended 31 December 2010 and disclosure of fair value of the investment property in notes to the financial statements.

4. New accounting standards issued during the years not yet effective

The Federation of Accounting Professions issued the following new/revised accounting standards that are effective for fiscal years beginning on or after 1 January 2013.

Accounting standards:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

Accounting Standard Interpretations:

SIC 10	Government Assistance - No Specific Relation to Operating Activities
SIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
SIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Company's management believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied, except for the following accounting standard.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences, which are differences between the carrying amount of an asset or liability in the accounting records and its tax base, and to recognize deferred tax assets and liabilities under the stipulated guidelines.

At present, the management is evaluating the impact on the financial statements in the year when this standard is adopted.

5. Cumulative effect of changes in accounting policies due to the adoptions of new accounting standards

During the current year, the Company and the subsidiaries made the changes to their significant accounting policies described in Note 3 to the financial statements, as a result of the adoption of new accounting standard, TAS 19 Employee Benefits. The cumulative effect of the changes in the accounting policies, which has been separately presented in the statements of changes in shareholders' equity, was to decrease the beginning balance of consolidated retained earnings for 2011 by Baht 22.65 million (Separate financial statements : decrease by Baht 15.54 million).

The amounts of adjustments affecting the statement of financial position as at 31 December 2011 and the statement of comprehensive income for the year ended 31 December 2011 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Statement of financial position		
Increase in provision for long-term employee benefits	24.96	16.78
Decrease in unappropriated retained earnings	24.96	16.78

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Statement of comprehensive income		
Increase in employee expenses	3.40	2.03
Decrease in profit attributable to equity holders of the Company	3.40	2.03
Decrease in basic earnings per share (Baht)	0.0005	0.0003
Decrease in diluted earnings per share (Baht)	0.0005	0.0003

In addition, during the fourth quarter of 2010, the Company and its subsidiaries changed their accounting policy for recognition of revenue from sales of real estate from the percentage of completion method to recognising revenue in full when significant risks and rewards of ownership have been transferred to the buyer. This change was made to accord to the International Financial Reporting Standard, and is in accordance with TAS 18 (revised 2009) "Revenue" which is effective on 1 January 2011.

In this regard, the Company and its subsidiaries have restated the previous period's financial statements as though the revenue from sales of real estate had originally been recognised in full when significant risks and rewards of ownership have been transferred to the buyer. The cumulative effect of the change in such accounting policy to the beginning balance of retained earnings for the year 2010 has been presented under the heading of "Cumulative effect of the change in accounting policy for recognition of revenue from sales of real estate" in the statements of changes in shareholders' equity.

6. Significant accounting policies

6.1 Revenue recognition

a) Revenue from property development for sales

Revenues from sales of land and houses and sales of residential condominium are recognised as income when the significant risks and rewards of ownership have been transferred to the buyer that the Company and the subsidiaries retains neither continuing managerial involvement nor effective control over the land and houses and the condominium sold, directly and indirectly. The recognised amount and cost incurred in respect of the transaction can be measured reliably.

b) Rental income

Rental income is recognised in the statement of comprehensive income on an accrual basis over the term of the lease. Initial expenses are recorded as a part of total rental as lease agreement.

c) Revenue from hotel business

Room revenues are recognised on an accrual basis over the period of the guests stay. Food and beverage revenues are recognised after the food and beverages have been served. Recognised revenue does not include valued added tax and state net of discounts.

d) School fees income

Tuition fees, transportation fees and canteen income are recognised as income of the school term to which they relate. Entrance fees are recognised as income at the time of acceptance of the pupil by the subsidiary.

e) Service income

Service income is recognised when service rendered by reference to the stage of completion.

f) Interest income

Interest income is recognised as interest accrues based on the effective rate method.

g) Dividends

Dividends are recognised when the right to receive the dividends is established.

6.2 Cost of property development for sale and cost of project sold

Property development for sale are stated at the lower of cost and net realisable value, consisting of the cost of land, design fees, utilities, construction costs, and directly related interest and expenses.

In determining the costs of land and houses sold and cost of residential condominium units sold, the anticipated total development costs (taking into account actual costs incurred to date) are attributed to land and houses and residential condominium units on the basis of the saleable area.

The Company and its subsidiaries recognise loss on diminution in value of projects (if any) in profit or loss.

6.3 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

6.4 Trade accounts receivable and allowance for doubtful accounts

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

6.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction of the projects that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the costs of the respective assets. Capitalisation ceases when the projects are ready for their intended use or sale, when the physical construction of the projects is complete, or when construction is suspended and until active development resumes. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

To the extent that funds are borrowed specifically for the development of projects, interest costs are presented as the actual borrowing costs less any investment income from the temporary investment of those borrowings. To the extent that funds are borrowed and used for the general purposes, the interest costs are determined by applying a capitalisation rate to the expenditures on that project. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the year, other than borrowings made for specific purposes.

6.6 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded as a separate item in shareholders' equity, and will be recorded in profit or loss when the securities are sold.
- c) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on diminution in value (if any).

- d) Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as surplus (deficit) from changes in the value of investments in shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

6.7 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 10-20 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss.

6.8 Land, building and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of building and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

Buildings and improvements	20 years
Buildings decoration	8 years
Improvements and renovation - hotel	5 years
Fixtures and equipment	3 - 5 years
Operating equipment - hotel	5 years
Temporary sales office	2 - 2.5 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided for land and construction in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in the profit or loss when the asset is derecognised.

6.9 Leasehold rights and amortisation

Leasehold rights are stated at cost less accumulated amortisation. The Company and its subsidiaries amortise leasehold rights on a straight-line basis over the leasehold period.

The amortisation is included in determining income.

6.10 Intangible assets and amortisation

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	3 - 10 years
Franchise fee	5 years

The amortisation is included in determining income.

6.11 Land held for development

Land held for development is stated at cost less allowance for loss on diminution in value of projects. It is consisted of cost of land, land fulfill, public utilities cost, project development cost and borrowing cost which occurred during the developed period in the past.

6.12 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

6.13 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

6.14 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful life of the asset.

Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

6.15 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

6.16 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the land, building and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value

less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and the subsidiaries estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

6.17 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company, subsidiaries and its employees have jointly established a provident fund. The fund is monthly contributed by employees, the Company and the subsidiaries. The fund's assets are held in a separate trust fund and the Company and subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and its subsidiaries has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in profit or loss.

For the first-time adoption of TAS 19 Employee Benefits, the Company elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, through an adjustment to the beginning balance of retained earnings in the current year.

6.18 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

6.19 Income tax

Income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

7. Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Impairment of property development for sale, investment properties and land held for development

The Company and its subsidiaries treat property development for sale, investment properties and land held for development as impaired when the management judges that there has been a significant decline in the fair value below their cost. The management determines the devaluation of such properties and land held for development based on net realisable value. The determination of what is “significant” and such devaluation requires the management to exercise judgment.

Project development costs estimation

In calculating cost of land and houses and condominium sold, the Company and its subsidiaries have to estimate all project development costs, comprising land and land improvement costs, design and construction costs, public utility costs, borrowing costs and other related costs. The management estimates these costs based on their business experience and revisits the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated costs.

Land, building and equipment/Depreciation

In determining depreciation of building and equipment, the management is required to make estimates of the useful lives and residual values of the Company and its subsidiaries' building and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review land, building and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Impairment of investment

The Company treats investment in subsidiaries as impaired when there has been a significant or prolonged decline in their fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

Goodwill

The initial recognition and measurement of goodwill and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The management has exercised judgment to assess of the results of the litigation and recorded certain contingent liabilities as at the end of reporting period.

Compensation for Housing Estate Juristic Persons

The Company and its subsidiaries estimate the compensation for Housing Estate Juristic Persons using the rate specified by the regulator and the budgeted public utilities costs as a basis for the calculation.

Provision for home care warrantee

In recording provision for home care warrantee, the management estimates the expenses expected to be incurred as a result of providing such warrantee based on past experiences of actual expenses claimed.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

8. Related party transactions

- 8.1 During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on commercial terms and bases agreed upon between the Company and those related parties.

Details of subsidiaries are presented in Note 2.2 a) to the financial statements. Other related company is Prestige Gift and Premium Company Limited which has common director with the Company.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2011	2010	2011	2010	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Revenues from project for rent	-	-	1,432	1,975	The same rate as other customers
Sale of land	-	-	692	-	Cost plus certain margin
Revenues from business management and project management	-	-	27,806	57,342	Based on agreement (1)
Interest income	-	-	175,023	147,015	Close to fixed deposits interest
Commission income	-	-	25,724	28,264	Based on agreement (3)
Construction and material costs	-	-	5	2,998	Based on agreement in normal course of business
Project management fee and other expenses	-	-	20,343	20,190	Based on agreement (2)
Commission expenses	-	-	39,603	75,759	Based on agreement (3)
Interest expenses	-	-	48	229	1.50 percent per annum
Purchase of land	-	-	112,383	191,480	Cost plus certain margin
Sale of leasehold rights	-	-	290,000	-	Fair value determined by independent appraisal

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2011	2010	2011	2010	
Purchase of interest in subsidiary	-	-	4,063	-	Net book value
<u>Transactions with related persons</u>					
Revenues from project sales	23,365	33,736	23,365	14,298	Cost plus certain margin at rates of 23% - 45%
<u>Transactions with related parties</u>					
Purchase of interest in subsidiary	-	5,963	-	5,963	Based on discounted cash flows

Transactions, pricing policies and related contracts are as follows: -

- (1) Revenue from business service and project management fees is charged based on costs plus certain margin. Those charges are allocated to subsidiaries based on revenue and investment costs, respectively.
- (2) Project management fees are charged monthly, depended upon the size of the project.
- (3) Commission from sales of projects are charged at a rate of 1% of selling price per the contract, with payments divided between the time the customer executes the agreement and when the properties are transferred.

8.2 Directors and management's benefits

During the years ended 31 December 2011 and 2010, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Short-term employee benefits	309,056	250,585	300,676	242,206
Post-employment benefits	420	-	420	-
Total	<u>309,476</u>	<u>250,585</u>	<u>301,096</u>	<u>242,206</u>

8.3 The balances of the accounts as at 31 December 2011 and 2010 between the Company and those related companies are as follows: -

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<u>Accounts receivable</u>				
<u>Subsidiaries</u>				
Chanachai Ltd.	-	-	1,374	2,626
Plus Property Co., Ltd.	-	-	760	7,490
Plus Property Space Co., Ltd.	-	-	-	50
Sansiri Land Ltd.	-	-	-	460
Touch Property Co., Ltd.	-	-	476	200
Total	<u>-</u>	<u>-</u>	<u>2,610</u>	<u>10,826</u>

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<u>Other receivables</u>				
<u>Subsidiary</u>				
Piwattana Ltd.	-	-	693	612
Total	-	-	693	612
<u>Prepaid rental expenses</u>				
<u>Subsidiary</u>				
Papanan Ltd.	-	-	112,553	-
Total	-	-	112,553	-
<u>Loans to related parties</u>				
<u>Subsidiaries</u>				
Chanachai Ltd.	-	-	-	247,300
Plus Property Co., Ltd.	-	-	-	45,000
Arnawat Ltd.	-	-	1,359,393	1,162,497
Piwattana Ltd.	-	-	632,704	1,210,520
Red Lotus Properties Ltd.	-	-	424,200	262,000
Pacific Challenge Holding Co., Ltd.	-	-	10,000	20,000
Sansiri Global Investment Pte. Ltd.	-	-	269,697	230,581
Plus Property Space Co., Ltd.	-	-	69,182	-
Papanan Ltd.	-	-	1,179,350	352,345
National Education Development Co., Ltd.	-	-	455,180	175,180
Sansiri Land Ltd.	-	-	607,436	260,000
Satit Pattana School	-	-	-	110,000

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Related party				
Regency One Co., Ltd. (held by Chanachai Ltd.)	5,000	5,000	-	-
Total	5,000	5,000	5,007,142	4,075,423
Current portion	-	-	2,050,000	4,075,423
Less: Allowance for doubtful accounts	-	-	-	(667,545)
Net	-	-	2,050,000	3,407,878
Long-term portion	5,000	5,000	2,957,142	-
Less: Allowance for doubtful accounts	(5,000)	(5,000)	(677,545)	-
Net	-	-	2,279,597	-

During the year 2011, the Company recorded allowance for doubtful accounts of loans to subsidiaries amounting to Baht 10.00 million (2010: Baht 120.60 million).

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Interest receivables				
Subsidiaries				
Chanachai Ltd.	-	-	-	1,972
Plus Property Co., Ltd.	-	-	-	54
Arnawat Ltd.	-	-	20,321	16,059

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Piwattana Ltd.	-	-	6,783	10,385
Red Lotus Properties Ltd.	-	-	5,904	3,511
Pacific Challenge Holding Co.,Ltd.	-	-	59	-
Sansiri Global Investment Pte. Ltd.	-	-	2,526	2,300
Plus Property Space Co., Ltd.	-	-	686	-
Papanan Ltd.	-	-	9,632	4,932
National Education Development Co., Ltd.	-	-	3,469	1,887
Sansiri Land Ltd.	-	-	3,587	2,355
Satit Pattana School	-	-	-	1,069
Related party				
Regency One Co., Ltd. (held by Chanachai Ltd.)	333	333	-	-
Total	333	333	52,967	44,524
Less: Allowance for doubtful accounts	(333)	(333)	(4,076)	(4,076)
Net	-	-	48,891	40,448
<u>Short-term loans from related parties</u>				
Subsidiary				
S.U.N. Management Co., Ltd.	-	-	-	15,300
Total	-	-	-	15,300

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<u>Unearned income</u>				
<u>Subsidiary</u>				
Touch Property Co., Ltd.	-	1,386	1,850	1,386
<u>Related parties</u>				
Related persons	2,103	5,949	2,029	5,949
Total	2,103	7,335	3,879	7,335
<u>Accrued interest expenses</u>				
<u>Subsidiary</u>				
S.U.N. Management Co., Ltd.	-	-	-	1,204
Total	-	-	-	1,204
<u>Trade accounts payable</u>				
<u>Subsidiaries</u>				
Chanachai Ltd.	-	-	22,530	-
Plus Property Co., Ltd.	-	-	6,894	11,264
Piwattana Ltd.	-	-	1,327	1,327
Papanan Ltd.	-	-	939	149
Sansiri Land Ltd.	-	-	393	666
Touch Property Co., Ltd.	-	-	-	193
Total	-	-	32,083	13,599
<u>Deposits for building rental and others</u>				
<u>Subsidiaries</u>				
Chanachai Ltd.	-	-	18	18
Piwattana Ltd.	-	-	-	441
Sansiri Land Ltd.	-	-	-	285
Total	-	-	18	744

8.4 During the year, movements of loans to related parties were as follow: -

(Unit: Million Baht)

Consolidated financial statements

	Balance as at 1 January 2011	During the year		Balance as at 31 December 2011
		Increase	Decrease	
Related party				
Regency One Co., Ltd. (held by Chanachai Ltd.)	5.00	-	-	5.00

(Unit: Million Baht)

Separate financial statements

	Balance as at 1 January 2011	During the year		Balance as at 31 December 2011
		Increase	Decrease	
Subsidiaries				
Chanachai Ltd.	247.30	305.10	(552.40)	-
Plus Property Co., Ltd.	45.00	50.00	(95.00)	-
Arnawat Ltd.	1,162.50	464.73	(267.83)	1,359.40
Piwattana Ltd.	1,210.52	140.00	(717.81)	632.71
Red Lotus Properties Ltd.	262.00	326.00	(163.80)	424.20
Pacific Challenge Holding Co., Ltd.	20.00	-	(10.00)	10.00
Sansiri Global Investment Pte. Ltd.	230.58	39.11	-	269.69
Plus Property Space Co., Ltd.	-	69.28	(0.10)	69.18
Papanan Ltd.	352.35	950.00	(123.00)	1,179.35
National Education Development Co., Ltd.	175.18	280.00	-	455.18
Sansiri Land Ltd.	260.00	715.44	(368.00)	607.44
Satit Pattana School	110.00	-	(110.00)	-

As at 31 December 2011, loans to related parties are clean loans, due for repayment at call, and carried interest at rates of 3.55 - 5.50 percent per annum (2010: 1.50 - 5.50 percent per annum).

As at 31 December 2011 and 2010, the Company and its subsidiaries have ceased recognition of interest on principal of loans to related parties amounting to Baht 5.00 million and Baht 5.00 million, respectively, because of default on interest payment for three consecutive installments (Separate financial statement: Baht 4,219.02 million and Baht 1,086.49 million, respectively).

8.5 During the year, movements of loans from related parties were as follow: -

(Unit: Million Baht)

Consolidated financial statements

Balance as at 1 January 2011	During the year		Balance as at 31 December 2011
	Increase	Decrease	

Subsidiaries

S.U.N. Management Co., Ltd.	15.30	-	(15.30)	-
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As at 31 December 2010, loans from related parties are clean loans, due at call and carrying interest at a rate of 1.50 percent per annum (2011: None).

8.6 Guarantees to related companies

As at 31 December 2011 and 2010, the Company and its subsidiaries have the following obligations in respect of guarantees provided to banks for loans facilities: -

(Unit: Million Baht)

Guarantor	Guarantee	2011	2010
Sansiri Plc.	Chanachai Ltd.	-	720
	Arnawat Ltd.	870	870
	Piwattana Ltd.	395	3,446
	Red Lotus Properties Ltd.	-	93
	Sansiri Guernsey (2009) Limited	174	174
Total		1,439	5,303
Piwattana Ltd.	Sansiri Plc.	-	790
Arnawat Ltd.	Piwattana Ltd.	-	600

9. Cash and cash equivalents

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Cash	3.52	3.01	1.17	0.67
Bank deposits	2,755.80	3,303.13	1,706.70	2,049.84
Bills of exchange	104.04	25.17	-	-
Total	<u>2,863.36</u>	<u>3,331.31</u>	<u>1,707.87</u>	<u>2,050.51</u>

As at 31 December 2011, bank deposits in saving accounts, fixed deposits and bills of exchange carried interests between 2.50 - 3.30 percent per annum (2010: between 0.50 and 1.55 percent per annum).

10. Restricted bank deposits

As at 31 December 2011 and 2010, restricted bank deposits of the Company and its subsidiaries have been pledged as collateral for guarantees facilities issued by banks on behalf of the Company and its subsidiaries.

11. Trade accounts receivable

Trade accounts receivable as at 31 December 2011 and 2010 presented as follows: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Trade accounts receivable - unrelated parties	63.12	70.02	5.43	11.10
Trade accounts receivable - related parties	-	-	2.61	10.83
Total	<u>63.12</u>	<u>70.02</u>	<u>8.04</u>	<u>21.93</u>
Less: Allowance for doubtful accounts	<u>(15.57)</u>	<u>(19.62)</u>	<u>(0.36)</u>	<u>(3.64)</u>
Accounts receivable - net	<u>47.55</u>	<u>50.40</u>	<u>7.68</u>	<u>18.29</u>

Trade accounts receivable as at 31 December 2011 and 2010 classified by the aging are as follows: -

(Unit: Million Baht)

Age of receivables	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Not yet due	17.86	8.02	-	6.59
Over due 1 - 3 months	26.83	39.43	6.02	11.70
Over due 4 - 6 months	2.00	5.88	0.09	2.49
Over due 7 - 12 months	2.67	5.12	1.15	0.74
Over due over 12 months	13.76	11.57	0.78	0.41
Total	63.12	70.02	8.04	21.93
Less: Allowance for doubtful accounts	(15.57)	(19.62)	(0.36)	(3.64)
Net	47.55	50.40	7.68	18.29

12. Property development for sale

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Land	24,128.08	19,723.69	17,236.83	14,467.58
Construction cost and others	22,332.94	13,260.44	12,871.02	6,908.55
Utility costs	6,182.04	4,287.64	3,432.75	2,260.15
Capitalised financial costs	1,749.14	1,004.97	1,425.54	775.48
Total	54,392.20	38,276.74	34,966.14	24,411.76
Less: Accumulated transfer to cost of project	(28,740.88)	(15,902.26)	(15,444.69)	(9,322.64)
Allowance for loss on diminution in value of project	(35.28)	(35.28)	-	-
Balance	25,616.04	22,339.20	19,521.45	15,089.12

- 12.1** As at 31 December 2011 and 2010, land and construction thereon of projects of the Company and its subsidiaries amounting Baht 19,004.50 million and Baht 17,888.48 million, respectively (Separate financial statements: Baht 14,991.70 million and Baht 11,975.63 million, respectively) were pledged as collateral for loans obtained from banks.
- 12.2** As at 31 December 2011 and 2010, the estimated expense to the Company and its subsidiaries of development and construction for completion of the opened projects (excluding the costs of land and construction already recorded) is Baht 20,909.08 million and Baht 21,619.63 million, respectively (Separate financial statements: Baht 16,716.24 million and Baht 16,621.96 million, respectively).
- 12.3** During the year 2011 and 2010, the Company and its subsidiaries included borrowing costs in the cost of property development amounting to Baht 744.17 million and Baht 340.61 million, respectively (Separate financial statements: Baht 650.06 million and Baht 261.34 million, respectively). Capitalisation rates for the years 2011 and 2010 were 5.56% and 4.94%, respectively (Separate financial statements: 5.56% and 4.94%, respectively).
- 12.4** Loss on diminution in value of property development for sale and investment properties (reversal) for the years 2011 and 2010 are as follow.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Property development for sale (Note 12)	-	(8.62)	-	-
Investment properties (Note 14)	(11.35)	23.99	(11.35)	(3.59)
Total	<u>(11.35)</u>	<u>15.37</u>	<u>(11.35)</u>	<u>(3.59)</u>

12.5 Additional information of the Company and its subsidiaries' projects are as follow.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Sales with signed agreements	57,502.37	65,291.39	35,670.67	38,649.59
Total estimated project value	76,941.87	85,453.86	48,868.14	49,094.82
The ratio of sales with signed agreements to total estimated project sales	74.73%	76.41%	72.99%	78.72%
Unearned income	1,962.80	2,840.54	1,711.53	1,702.45

13. Investments in subsidiaries

Investments in subsidiaries as stated in the separate financial statements as at 31 December 2011 and 2010 are as follows: -

(Unit: Million Baht)

	Paid-up capital		Percentage of share holding		Investment at cost		Allowance for loss on diminution in value of investments		Net investment		Dividend received during the year	
	2011	2010	2011 Percent	2010 Percent	2011	2010	2011	2010	2011	2010	2011	2010
<u>Subsidiaries - Directly owned</u>												
Chanachai Ltd.	90.00	90.00	100	100	101.52	101.52	-	-	101.52	101.52	261.00	-
Plus Property Co., Ltd.	600.00	600.00	100	100	610.52	610.52	-	-	610.52	610.52	729.00	1,119.60
Sansiri Venture Co., Ltd.	3.00	3.00	100	100	56.42	177.42	-	-	56.42	177.42	134.00	300.00
S.U.N. Management Co., Ltd.	10.00	10.00	100	100	20.08	20.08	-	-	20.08	20.08	-	-
Arnawat Ltd.	2.50	2.50	100	100	2.50	2.50	-	-	2.50	2.50	-	-
Piwattana Ltd.	100.00	100.00	100	100	100.00	100.00	-	-	100.00	100.00	-	-
Red Lotus Properties Ltd.	20.00	20.00	100	100	20.00	20.00	-	-	20.00	20.00	-	-

(Unit: Million Baht)

	Paid-up capital		Percentage of share holding		Investment at cost		Allowance for loss on diminution in value of investments		Net investment		Dividend received during the year	
	2011	2010	2011 Percent	2010 Percent	2011	2010	2011	2010	2011	2010	2011	2010
Plus Property Space Co., Ltd.	2.50	10.00	100	-	4.07	-	-	-	4.07	-	-	-
Pacific Challenge Holding Co., Ltd.	2.50	2.50	85	85	2.13	2.13	-	-	2.13	2.13	-	-
Papayan Ltd.	20.00	20.00	100	100	20.00	20.00	(20.00)	(20.00)	-	-	-	-
Satit Pattana Personnel Center Ltd.	1.00	1.00	100	100	1.00	1.00	-	-	1.00	1.00	-	-
Rojnaruemit Ltd.	4.88	4.88	100	100	99.95	99.95	(99.30)	(98.00)	0.65	1.95	-	-
National Education Development Co., Ltd.	40.00	40.00	100	100	40.00	40.00	-	-	40.00	40.00	-	-
Sansiri Global Investment Pte. Ltd.	1.19	1.19	100	100	1.19	1.19	-	-	1.19	1.19	-	-
Total investment in subsidiaries					<u>1,079.38</u>	<u>1,196.31</u>	<u>(119.30)</u>	<u>(118.00)</u>	<u>960.08</u>	<u>1,078.31</u>	<u>1,124.00</u>	<u>1,419.60</u>

Dividend income from Sansiri Venture Co., Ltd. is net of a partial return of capital.

During the current year, Rojnaruemit Limited decreased its registered capital from Baht 4,875,000 to Baht 1,218,750 by canceling 585,000 ordinary shares with a par value of Baht 6.25 each in order to reduce deficit. After such capital decrease, the Company still holds 195,000 shares in Rojnaruemit Limited with a par value of Baht 6.25 each, which represents 100 percent of its paid-up capital.

In addition, Plus Property Space Co., Ltd., decreased its capital from Baht 10,000,000 to Baht 2,500,000 by canceling 750,000 ordinary shares with a par value of Baht 10 each, in order to return capital to its shareholders. Subsequently on 30 September 2011, Plus Property Co., Ltd. sold all of its investments in Plus Property Space Co., Ltd. to the Company at book value.

During the current year, the Company recorded allowance for loss on diminution in value of investments in Rojnaruemit Ltd. amounting Baht 1.30 million.

14. Investments properties

The net book value of investment properties as at 31 December 2011 and 2010 is presented below.

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements
	House for rent	Condominium for rent	Office building for rent	Total	House for rent
31 December 2011					
Cost	119.34	69.65	553.69	742.68	-
Less: Accumulated depreciation	(18.94)	(8.16)	(6.02)	(33.12)	-
Less: Allowance for diminution in value	(32.89)	-	-	(32.89)	-
Net book value	<u>67.51</u>	<u>61.49</u>	<u>547.67</u>	<u>676.67</u>	<u>-</u>
31 December 2010					
Cost	413.83	106.65	-	520.48	294.53
Less: Accumulated depreciation	(151.67)	(7.11)	-	(158.78)	(141.16)
Less: Allowance for diminution in value	(44.24)	-	-	(44.24)	(11.35)
Net book value	<u>217.92</u>	<u>99.54</u>	<u>-</u>	<u>317.46</u>	<u>142.02</u>

A reconciliation of the net book value of investment properties for the years 2011 and 2010 is presented below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Net book value at beginning of year	317.46	723.66	142.02	533.72
Acquisition of assets	555.14	1.28	-	-
Transfer from leasehold rights	233.42	-	-	-
Transfer to land, buildings and equipment	(234.71)	-	-	-

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Transfer to cost of property development for sale	-	(145.78)	-	(175.59)
Disposals - net book value	(185.40)	(200.50)	(151.78)	(200.50)
Depreciation charged	(20.59)	(31.89)	(1.59)	(19.20)
Reversal of allowance for diminution in value (addition)	11.35	(23.99)	11.35	3.59
Allowance for diminution in value - transfer in	-	(5.32)	-	-
Net book value at end of year	<u>676.67</u>	<u>317.46</u>	<u>-</u>	<u>142.02</u>

The depreciation of investment properties has been charged to cost of project for rent. The fair value of the investment properties as at 31 December 2011 stated below:

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
	2011	2010
House for rent	90.55	-
Condominium for rent	77.72	-
Office building for rent	579.88	-

The fair values of the above investment properties have been determined based on valuations performed by the management of the Company. The fair value of house and office building for rental has been determined based on income approach. The main assumptions used in the valuation are yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates. The fair value of condominium for rent has been determined based on market price.

The Company and its subsidiaries have pledged investment properties with the net book value amounting to approximately Baht 782.38 million (2010: Baht 142.02 million) (Separate financial statements: 2010: Baht 142.02 million) as collateral against credit facilities received from financial institutions.

During the current year, Papanan Limited (a subsidiary) purchased Siripinyo Building by bidding at amounting Baht 540.20 million. However, such building has covered by leasehold rights held by the Company for a period of 12 years and 6 months, therefore for the purpose of Papanan Limited holds a full right over the building, the Company sold the leasehold rights over the building for a remaining period to Papanan Limited at a price of Baht 290.00 million which is a fair value determined by independent appraisal on an income approach. The Company has a gain from sales of Baht 56.35 million which was eliminated from the consolidated financial statements. Net cost of building in the Company's portion for operation was recorded as land, building and equipment, the remaining amount was recorded as investment properties.

However, the Company's management reassessed the fair value of the building as at 31 December 2011 based on income approach and its fair value was Baht 828.40 million, consideration only investment properties portion was Baht 579.88 million.

15. Land held for development

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Land held for development	837.85	939.48	432.04	284.00
Less: Allowance for loss on diminution in value of project	(136.87)	(136.87)	(50.00)	(50.00)
Net	<u>700.98</u>	<u>802.61</u>	<u>382.04</u>	<u>234.00</u>

As at 31 December 2011 and 2010, land held for development of the Company and its subsidiaries amounting Baht 307.76 million and Baht 327.58 million, respectively, were pledged as collateral for loans obtained from banks (Separate financial statements: Baht 307.76 million and Baht 234.00 million, respectively).

16. Land, buildings and equipment

(Unit: Million Baht)

Consolidated financial statements

	Land	Buildings decoration	Buildings and improvement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
Cost								
Balance as at 31 December 2009	264.09	127.40	540.49	450.56	39.40	250.21	38.50	1,710.65
Purchases	-	-	-	97.85	4.58	93.00	344.99	540.42
Transfer in	7.24	0.66	16.53	0.77	-	37.56	-	62.76
Disposals/ Write off	-	-	-	(15.68)	(3.95)	(8.54)	(2.31)	(30.48)
Transfer out	-	-	-	-	-	-	(41.12)	(41.12)
Balance as at 31 December 2010	271.33	128.06	557.02	533.50	40.03	372.23	340.06	2,242.23
Purchases	74.79	-	19.08	70.65	5.49	4.22	384.46	558.69
Transfer in	124.63	-	420.79	15.22	-	27.77	-	588.41
Disposals/ Write off	(25.31)	-	(9.31)	(30.29)	(4.84)	(142.19)	(9.54)	(221.48)
Transfer out	-	-	-	(15.51)	(0.56)	(2.64)	(339.00)	(357.71)
Balance as at 31 December 2011	445.44	128.06	987.58	573.57	40.12	259.39	375.98	2,810.14
Accumulated depreciation								
Balance as at 31 December 2009	-	67.06	70.58	261.38	24.77	156.06	-	579.85
Depreciation for the year	-	6.57	25.43	70.86	7.36	52.62	-	162.84
Disposals/ Write off	-	-	-	(15.42)	(2.57)	(3.53)	-	(21.52)
Balance as at 31 December 2010	-	73.63	96.01	316.82	29.56	205.15	-	721.17
Depreciation for the year	-	6.67	74.00	64.20	6.64	88.06	-	239.57
Disposals/ Write off	-	-	(1.75)	(27.50)	(4.56)	(90.95)	-	(124.76)
Transfer out	-	-	0.01	1.85	(7.17)	(0.01)	-	(5.32)
Balance as at 31 December 2011	-	80.30	168.27	355.37	25.47	202.25	-	830.66

(Unit: Million Baht)

Consolidated financial statements

	Land	Buildings decoration	Buildings and impro- vement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
Allowance for impairment loss								
Balance as at 31 December 2010	26.89	40.00	64.67	-	-	-	-	131.56
Write-off	(25.32)	-	(7.55)	-	-	-	-	(32.87)
Balance as at 31 December 2011	1.57	40.00	57.12	-	-	-	-	98.69
Net book value								
Balance as at 31 December 2010	244.44	14.43	396.34	216.68	10.47	167.08	304.06	1,389.50
Balance as at 31 December 2011	443.87	7.76	762.19	218.20	15.65	57.14	375.98	1,880.79
Depreciation for the year								
2010 (Baht 34.29 million included in cost of other services, other than that included in administrative expenses)								162.84
2011 (Baht 66.11 million included in cost of other services, other than that included in administrative expenses)								239.57

(Unit: Million Baht)

Separate financial statements

	Land	Buildings and improvement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
Cost							
Balance as at 31 December 2009	114.18	261.88	170.48	33.39	104.19	3.54	687.66
Purchases	-	-	29.61	4.57	63.14	65.81	163.13
Transfer in	7.24	16.52	0.77	-	37.56	-	62.09
Disposals/ Write off	-	-	(13.68)	(2.43)	-	-	(16.11)
Transfer out	-	-	-	-	-	(41.12)	(41.12)
Balance as at 31 December 2010	121.42	278.40	187.18	35.53	204.89	28.23	855.65
Purchases	45.00	-	53.89	0.32	0.75	382.37	482.33
Transfer in	-	0.46	14.99	-	27.77	-	43.22
Disposals/ Write off	(25.31)	(9.31)	(3.65)	(2.80)	(122.51)	(0.30)	(163.88)
Transfer out	-	-	-	-	-	(28.63)	(28.63)
Balance as at 31 December 2011	141.11	269.55	252.41	33.05	110.90	381.67	1,188.69

(Unit: Million Baht)

Separate financial statements

	Land	Buildings and improvement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
Accumulated depreciation							
Balance as at 31 December 2009	-	37.08	122.80	13.71	98.60	-	272.19
Depreciation for the year	-	13.08	22.37	6.66	20.50	-	62.61
Disposals/Write off	-	-	(13.65)	(1.18)	-	-	(14.38)
Balance as at 31 December 2010	-	50.16	131.52	19.19	119.10	-	319.97
Depreciation for the year	-	13.45	30.13	5.71	60.73	-	110.02
Disposals/Write off	-	(1.75)	(3.65)	(2.80)	(71.27)	-	(79.47)
Transfer in	-	0.01	10.61	-	-	-	10.62
Balance as at 31 December 2011	-	61.87	168.61	22.10	108.56	-	361.14
Allowance for impairment loss							
Balance as at 31 December 2010	26.73	7.56	-	-	-	-	34.29
Write-off	(25.31)	(7.56)	-	-	-	-	(32.87)
Balance as at 31 December 2011	1.42	-	-	-	-	-	1.42
Net book value							
Balance as at 31 December 2010	94.69	220.68	56.66	16.34	85.79	28.23	501.39
Balance as at 31 December 2011	139.69	207.68	83.80	10.95	2.34	381.67	826.13
Depreciation for the year							
2010 (Baht 4.59 million included in cost of other services other than that included in administrative expenses)							62.61
2011 (Baht 4.50 million included in cost of other services other than that included in administrative expenses)							110.02

As at 31 December 2011 and 2010, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 273.47 million and Baht 237.87 million, respectively (Separate financial statement: Baht 180.43 million and Baht 154.45 million, respectively).

During the year 2011, the Company included borrowings costs in the costs of assets amounting to Baht 2.53 million (capitalisation rate 5.56%).

As at 31 December 2011 and 2010, the Company and its subsidiaries had vehicles and equipment under finance lease agreements with net book values amounting to Baht 10.44 million and Baht 15.55 million, respectively (Separate financial statement: Baht 10.44 million and Baht 14.17 million, respectively).

As at 31 December 2011, the Company's land and construction thereon which the net book value amounted Baht 78.57 million, were mortgaged to secure loans from banks (2010: Baht 82.63 million).

17. Goodwill

During the year 2008, the Company purchased interest in subsidiaries; Sansiri Venture Company Limited, Plus Property Venture Company Limited and Plus Property Space Company Limited, from non-controlling shareholders at a price of Baht 232.27 million which was determined from present value of future profits of projects operated under those companies. The excess of purchase price over net book value of the Company's proportion of Baht 266.31 million was recorded as goodwill and the Company continued recognized impairment loss in relation to revenue recognition of those projects during the year 2009 to 2010. As at 31 December 2010, full allowance for impairment loss was recorded whereby Baht 40.55 million was recorded in profit and loss in 2010.

As at 31 December 2011 and 2010, the balance of goodwill is related to goodwill from business combination of National Education Development Company Limited in 2009.

18. Intangible assets

The net book value of intangible assets as at 31 December 2011 and 2010 is presented below.

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Patents and licenses	Computer software	Total	Patents and licenses	Computer software	Total
As at 31 December 2011						
Cost	15.31	123.86	139.17	-	96.78	96.78
Less Accumulated amortisation	(14.65)	(85.25)	(99.90)	-	(65.57)	(65.57)
Net book value	0.66	38.61	39.27	-	31.21	31.21

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Patents and licenses	Computer software	Total	Patents and licenses	Computer software	Total
As at 31 December 2010						
Cost	15.31	118.65	133.96	-	91.72	91.72
Less Accumulated amortisation	(13.73)	(79.94)	(93.67)	-	(61.58)	(61.58)
Net book value	1.58	38.71	40.29	-	30.14	30.14

A reconciliation of the net book value of intangible assets for the years 2011 and 2010 is presented below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Net book value at beginning of year	40.29	28.47	30.14	16.04
Acquisition of computer software	5.16	22.08	5.06	19.80
Amortisation	(6.18)	(10.26)	(3.99)	(5.70)
Net book value at end of year	39.27	40.29	31.21	30.14

As at 31 December 2011 and 2010, certain computer software of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated amortisation) of these assets amounted to approximately Baht 58.05 million and Baht 53.92 million, respectively (Separate financial statements: Baht 58.05 million and Baht 53.92 million, respectively).

19. Leasehold rights

(Unit: Million Baht)

Project	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Siripinyo Office Building	-	499.50	-	499.50
Baan Sansiri Condominium	609.98	609.98	-	-
Sun Square Silom	192.76	192.76	-	-

(Unit: Million Baht)

Project	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Others	-	1.96	-	-
Total	802.74	1,304.20	-	499.50
Less: Accumulated amortisation	(418.03)	(637.58)	-	(247.08)
Leasehold rights - net	384.71	666.62	-	252.42
Amortisation expenses for the year	46.65	48.93	19.78	22.06

The amortisation of leasehold rights has been charged to cost of project for rent.

As at 31 December 2010, the Company's leasehold rights were mortgaged to secure loans from banks (2011: None).

20. Short-term loans from banks/Bill of exchange

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<u>Short-term loans from banks</u>				
Promissory notes	1,246.60	215.00	1,246.60	83.00
	<u>1,246.60</u>	<u>215.00</u>	<u>1,246.60</u>	<u>83.00</u>
<u>Bills of exchange</u>				
Face value	600.00	-	600.00	-
Less: Prepaid interest expense	(3.57)	-	(3.57)	-
Net	<u>596.43</u>	<u>-</u>	<u>596.43</u>	<u>-</u>

As at 31 December 2011, short-term loans from banks carry interest at rates of 5.00 - 6.00 percent per annum and are secured by land and constructions of projects of the Company and its subsidiaries (2010: 4.35 - 4.50 percent per annum). Bills of exchange carry interest at a rate of 5.00 percent per annum.

21. Trade accounts payable

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Trade payables - unrelated parties	974.68	804.69	706.32	477.57
Trade payables - related parties	-	-	32.08	13.60
Total	<u>974.68</u>	<u>804.69</u>	<u>738.40</u>	<u>491.17</u>

22. Promissory notes - purchase of land

(Unit: Million Baht)

	Consolidated/ Separate financial statements	
	2011	2010
Short-term promissory notes - purchase of land	787.60	463.25
Long-term promissory notes - purchase of land	-	787.60
Total	<u>787.60</u>	<u>1,250.85</u>

As at 31 December 2011, promissory notes - purchase of land are notes issued to land sellers. The notes mature in 2011 and 2012, are interest free, and are avaled by a bank.

23. Long-term loans

As at 31 December 2011 and 2010, long-term loans presented below: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Loans from banks	10,750.23	10,487.56	8,042.31	7,653.56
Less: Current portion of long-term loans	(6,448.18)	(4,991.81)	(5,353.46)	(2,808.80)
Net	<u>4,302.05</u>	<u>5,495.75</u>	<u>2,688.85</u>	<u>4,844.76</u>

Movements in the long-term loans account during the year ended 31 December 2011 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2011	10,487.56	7,653.56
Add: Additional borrowings	8,875.20	5,566.28
Less: Repayment	(8,617.99)	(5,177.53)
Add: Translation adjustments	5.46	-
Balance as at 31 December 2011	<u>10,750.23</u>	<u>8,042.31</u>

The details of long-term loans classified by the Company and its subsidiaries are presented below.

Company's name	Balance of long-term loans		Interest rate per agreement	Condition of payment
	2011	2010		
	(Million Baht)	(Million Baht)	Percent per annum	
Sansiri Plc.	8,042	7,654	MLR - 2.25% to MLR - 1.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made between 2011 - 2018
Plus Property Co., Ltd.	71	419	MLR - 2.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2013

Company's name	Balance of long-term loans		Interest rate per agreement	Condition of payment
	2011 (Million Baht)	2010 (Million Baht)		
Chanachai Ltd.	91	1,545	MLR - 1.50% to MLR - 1.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made between 2011 - 2019
Sansiri Land Ltd.	751	237	MLR - 2.00% to MLR - 1.75%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2015
Red Lotus Properties Ltd.	164	13	MLR - 1.75%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2014
Arnawat Ltd.	210	99	MLR - 1.75% to MLR - 1.25%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2013
Piwattana Ltd.	212	397	MLR - 1.75% to MLR - 1.25%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2013
Sansiri Guernsey (2009) Limited	159	124	Basic rate + 3%	Full payment is to be made within 2012
Papanan Ltd.	1,050	-	MLR - 2.00% to MLR - 1.25%	Quarterly installment repayment and payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2014 - 2019
Total	<u>10,750</u>	<u>10,488</u>		

As at 31 December 2011 and 2010, the long-term credit facilities of the Company and its subsidiaries which have not yet been drawn down amounted to Baht 20,207 million and Baht 19,034 million, respectively (Separate financial statement: Baht 15,664 million and Baht 14,140 million, respectively).

Land and constructions of projects of the Company and its subsidiaries, and investment properties of the subsidiary are mortgaged as collaterals for loans obtained from banks.

Most of loans agreements contain certain covenants and restrictions, such as dividend payment, capital increase and decrease, loans guarantees, change in directors and maintenance of a debt to equity ratio.

24. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2011, which is compensations on employees' retirement, was as follows:

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Cumulative effect of change in accounting policy for employee benefits adjusted against beginning balance of retained earnings (Note 5)	22.65	15.54
Current service cost	2.48	1.48
Interest cost	0.92	0.55
Benefits paid during the year	(1.09)	(0.79)
Balance at the end of the year	24.96	16.78

Long-term employee benefit expenses included in the consolidated profit or loss for the year ended 31 December 2011 amounted to Baht 3.40 million (Separate financial statements: Baht 2.03 million).

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated financial statements	Separate financial statements
	(% per annum)	(% per annum)
Discount rate	4.20	4.20
Future salary increase rate (depending on age)	5.00 - 12.00	5.00 - 12.00
Staff turnover rate (depending on age)	8.00 - 20.00	8.00 - 20.00

25. Provisions

Provisions for liabilities on law suit, home care warrantee and compensation for Housing Estate Juristic Persons for the year ended 31 December 2011 had the following movements: -

Short-term provisions

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Provisions for law suits	Provisions for home care warrantee	Total	Provisions for law suits	Provisions for home care warrantee	Total
Beginning balance	4.28	73.19	77.47	2.95	41.44	44.39
Increase during the year	-	80.04	80.04	-	38.83	38.83
Paid during the year	-	(68.09)	(68.09)	-	(38.27)	(38.27)
Reverse	-	(5.10)	(5.10)	-	(3.17)	(3.17)
Ending balance	4.28	80.04	84.32	2.95	38.83	41.78

Long-term provisions

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
	Compensation for Housing Estate Juristic Persons	Compensation for Housing Estate Juristic Persons
Beginning balance	52.57	34.44
Increase during the year	15.87	6.70
Paid during the year	(7.71)	(4.82)
Reverse	(7.69)	(7.69)
Ending balance	53.04	28.63

26. Unsecured debentures

The Company's debentures which are unsecured, issued with a registered certificate and unsubordinated are summarised below:

(Unit: Million Baht)

Debentures	Interest rate	Terms	Due date	Consolidated / Separate financial statements	
				2011	2010
Debentures # 1/2009	6.25% p.a.	3 years	4 June 2012	1,000.00	1,000.00
Debentures # 1/2010	4.90% p.a.	3 years 7 months 20 days	30 September 2013	1,000.00	1,000.00
Debentures # 2/2010	5.60% p.a.	7 years	24 May 2017	2,000.00	2,000.00
Debentures # 1/2011	5.40% p.a. for 1st - 3rd year 6.00% p.a. for 4th - 5th year	5 years	21 July 2016	1,000.00	-

(Unit: Million Baht)

				Consolidated / Separate financial statements	
Debentures	Interest rate	Terms	Due date	2011	2010
Debentures # 2/2011	5.40% p.a. for 1st - 3rd year 6.00% p.a. for 4th - 5th year	5 years	3 October 2016	1,000.00	-
Total debentures, at face value				6,000.00	4,000.00
Less: Unamortised portion of deferred transaction costs				(29.68)	(25.79)
Total debentures				5,970.32	3,974.21
Less: Debentures #1/2009 - due within one year				(998.49)	-
Debentures - due over one year				4,971.83	3,974.21

Under rights and responsibilities of debenture issuer, the Company has to comply with certain covenants and restrictions including maintenance of a debt to equity ratio of consolidated financial statements with no excess of 2:1 along with debentures' periods (debts mean interest bearing loans).

27. Share capital

During the current year, the Company received payment for the exercise of ESOP#5 and ESOP#6 allocated to directors and employees of the Company and its subsidiaries. The detail is below.

Date of exercise	Quantity of exercised warrants	Ordinary shares issued for exercised warrants	Exercise price	Date of registration with the Ministry of Commerce	Date that the Stock Exchange of Thailand approved ordinary shares as listed securities
	(Units)	(Shares)	(Baht)		
<u>ESOP#5</u>					
31 January 2011	80,000	80,000	5,000	3 February 2011	8 February 2011
28 February 2011	6,280,000	6,280,000	5,000	28 February 2011	4 March 2011

Date of exercise	Quantity of exercised warrants	Ordinary shares issued for exercised warrants	Exercise price	Date of registration with the Ministry of Commerce	Date that the Stock Exchange of Thailand approved ordinary shares as listed securities
	(Units)	(Shares)	(Baht)		
29 July 2011	2,622,274	3,060,190	4.286	3 August 2011	8 August 2011
31 August 2011	200,000	233,400	4.286	2 September 2011	8 September 2011
30 September 2011	791,437	923,605	4.286	30 September 2011	5 October 2011
	9,973,711	10,577,195			
ESOP#6					
28 February 2011	8,131,000	8,131,000	5.200	28 February 2011	4 March 2011
29 July 2011	1,665,257	1,943,350	4.457	3 August 2011	8 August 2011
30 September 2011	170,008	198,399	4.457	30 September 2011	5 October 2011
	9,966,265	10,272,749			

The exercise of the warrants above included the payment of stock dividend as discussed in Note 34 to the financial statements and share split (to be discussed). As a result, the registered and paid up share capital of the Company increased. The details are summarised below.

Reconciliation of number of ordinary shares

	Number of shares	Par value	Paid up capital
	(Shares)	(Baht)	(Baht)
<u>Registered ordinary shares</u>			
Number of ordinary shares as at 1 January 2011	3,736,263,038	4.28	15,991,205,803
Decrease during the year ⁽¹⁾	(1,405,072,320)	4.28	(6,013,709,530)
Increase during the year ⁽²⁾	388,806,864	4.28	1,664,093,378
Number of ordinary shares at par Baht 4.28	2,719,997,582	4.28	11,641,589,651
Number of ordinary shares at par Baht 1.07 ⁽⁴⁾	10,879,990,328	1.07	11,641,589,651

	Number of shares	Par value	Paid up capital	Share premium
	(Shares)	(Baht)	(Baht)	(Baht)
<u>Issued and paid-up ordinary shares</u>				
Number of ordinary shares as at 1 January 2011	1,490,633,692	4.28	6,379,912,202	12,522,600
Increase due to exercise of warrants ⁽³⁾	21,684,944	4.28	92,811,560	13,158,314
Increase due to stock dividend	250,988,477	4.28	1,074,230,682	524,565,916
Number of ordinary shares at par Baht 4.28	1,763,307,113	4.28	7,546,954,444	550,246,830
Number of ordinary shares at par Baht 1.07 ⁽⁴⁾	7,053,288,452	1.07	7,546,954,444	550,246,830

⁽¹⁾Decrease registered share capital during the year

On 25 April 2011 the Annual General Meeting of the Company's shareholders passed the resolutions approving the decrease of the registered capital of the Company, which will be made from the existing registered capital of Baht 15,991,205,802.64 to be the new registered capital of Baht 9,977,496,273.04 by canceling its registered but unissued shares, in the number of 1,405,072,320 shares, the details of which are as follows:

- To cancel the 7,050,000 shares being reserved for the exercising right of the warrants which were issued and offered to the Directors and Employees of the Company and its subsidiaries under the ESOP # 5 scheme as the same number of the warrants were left un-subscribed from the offering.
- To cancel the 22,320 shares being reserved for the exercising right of Warrants Representing Rights to Purchase Ordinary Shares of Sansiri Public Company Limited No. 1 (SIRI-W1) which were issued to the Company's existing shareholders, as they were left over after the allotment of the warrants.
- To cancel shares being reserved for the allotment on a Private Placement basis under the Re-capitalization Plan, totaling 1,398,000,000 shares, and the Company had already cancelled such Plan.

⁽²⁾Increase registered share capital during the year

On 25 April 2011 the Annual General Meeting of the Company's shareholders passed the resolutions approving the increase of the registered capital of the Company, which will be made from the existing registered capital of Baht 9,977,496,273.04 to be the new registered capital of Baht 11,641,589,650.96 by issuing 388,806,864 new ordinary shares with the par value of 4.28 Baht and allocation of newly issued shares, the details of which are as follows:

- Allocation of 250,993,282 newly issued shares to be reserved for stock dividend.
- Allocation of 137,813,582 newly issued shares to be reserved for adjustment of rights under the condition of the Warrants to purchase ordinary shares of the Company (SIRI-W1, ESOP # 5 and ESOP # 6) due to the declaration of stock dividend payment.

⁽³⁾The increase in the paid-up capital during the year included 835,000 shares from the exercise of ESOP#5 and ESOP#6 on 30 December 2010 because the Company registered its paid-up capital increase with the Ministry of Commerce on 7 January 2011.

⁽⁴⁾On 27 September 2011, an extraordinary meeting of the Company's shareholders approved a change in the par value of the Company's shares, from Baht 4.28 per share to Baht 1.07 per share. The amount of the Company's registered capital remains unchanged at Baht 11,641,589,650.96, but the value and number of ordinary registered shares of the Company has changed from 2,719,997,582 shares of Baht 4.28 per share to 10,879,990,328 shares of Baht 1.07 per share. The value and number of paid up capital of the Company has changed from 1,763,307,113 shares of Baht 4.28 per share to 7,053,228,452 shares of Baht 1.07 per share. The Company registered the change in its capital with the Ministry of Commerce on 5 October 2011.

28. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

29. Warrants/Earnings per share

29.1 Warrants to purchase ordinary shares of the Company

The Company's warrants are as follows: -

Warrants information as adjusted from stock dividend

Type of warrant	Exercise price per share before adjusting right	Exercise price per share as adjusted from stock dividend	Exercise ratio per 1 warrant before adjusting right	Exercise ratio per 1 warrant as adjusted from stock dividend	Number of warrants outstanding as at 1 January 2011	Number of warrants exercised during the period	Number of warrants outstanding as at 30 September 2011
ESOP# 5	5.00	4.286	1:1	1:1.167	29,790,000	(9,973,711)	19,816,289
ESOP# 6	5.20	4.457	1:1	1:1.167	73,140,000	(9,966,265)	63,173,735
SIRI-W1	5.20	4.457	1:1	1:1.167	736,792,026	-	736,792,026

The payment of the stock dividend as discussed in Note 34 to the financial statements resulted in the Company adjusting the exercise price and exercise ratio of the warrants, effective from 3 May 2011.

Warrants information as adjusted from share split

Type of warrant	Exercise price per share before share split	Exercise price per share as adjusted from share split	Exercise ratio per 1 warrant before share split	Exercise ratio per 1 warrant after share split	Number of warrants outstanding as at 1 October 2011	Number of warrants exercised during the period	Number of warrants outstanding as at 31 December 2011
ESOP# 5	4.286	1.072	1:1.167	1:1.167	79,265,156	-	79,265,156
ESOP# 6	4.457	1.114	1:1.167	1:1.167	252,694,940	-	252,694,940
SIRI-W1	4.457	1.114	1:1.167	1:1.167	2,947,168,104	-	2,947,168,104

With split of each existing share into 4 new shares approved by the Extraordinary Meeting of the Company's shareholders held on 27 September 2011, as discussed in Note 27 to the financial statements, the Company will adjust the rights of the warrants in order to preserve the interest of the warrant holders in accordance with the terms and conditions of the respective warrant scheme. The adjustment of the rights of the warrants will be effective immediately the change of par value of the ordinary shares of the Company occurs. The Company will split each existing warrant into 4 new warrants in order to retain the current exercise ratio. Thus, 1 warrant can still be exercised to purchase 1.167 ordinary shares, and the exercise prices were changed as shown in the table above.

29.2 Earnings per share

Basic earnings per share is determined by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares in proportion to the change in the

number of shares as a result of the issue of the stock dividend of 250,988,477 shares that was approved by the Annual General Meeting of shareholders held on 25 April 2011, as discussed in Note 34 to the financial statements and the increase in the number of shares as a result of the 1 to 4 share split discussed in Note 27 to the financial statements. The number of ordinary shares used in determining earnings per share in the prior year was adjusted as if the stock dividend and shares split had been issued at the beginning of the earliest period reported.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the increase in share capital arising from the issue of a stock dividend and the share split, as discussed, plus the weighted average number of ordinary shares which might need to be issued for the conversion of all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic earnings per share and diluted earnings per share.

Consolidated financial statements						
For the year ended 31 December 2011 and 2010						
Profit for the year		Weighed average number of ordinary shares		Earnings per share		
2011 (Thousand Baht)	2010 (Thousand Baht)	2011 (Thousand Shares)	2010 (Thousand Shares)	2011 (Baht)	2010 (Baht)	
Basic earnings per share						
Profit attributable to equity holders of the parent	2,015,081	1,897,732	7,028,619	6,920,343	0.29	0.27
Effect of dilutive potential ordinary shares						
ESOP#5	-	-	11,529	6,761		
ESOP#6	-	-	24,056	11,180		
SIRI-W1	-	-	282,132	32,484		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of warrant to ordinary shares	2,015,081	1,897,732	7,346,336	6,970,768	0.27	0.27

Separate financial statements					
For the year ended 31 December 2011 and 2010					
Profit for the year		Weighed average number of ordinary shares		Earnings per share	
2011 (Thousand Baht)	2010 (Thousand Baht)	2011 (Thousand Shares)	2010 (Thousand Shares)	2011 (Baht)	2010 (Baht)
Basic earnings per share					
Profit attributable to equity holders of the parent					
1,842,790	2,421,371	7,028,619	6,920,343	0.26	0.35
Effect of dilutive potential ordinary shares					
ESOP#5	-	11,529	6,761		
ESOP#6	-	24,056	11,180		
SIRI-W1	-	282,132	32,484		
Diluted earnings per share					
Profit of ordinary shareholders assuming the conversion of warrant to ordinary shares					
1,842,790	2,421,371	7,346,336	6,970,768	0.25	0.35

30. Revenues from other services/Cost of other services

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<u>Revenues from other services</u>				
Revenues from medical spa business	64.66	67.66	-	-
Revenues from hotel business	18.07	15.16	18.27	15.17
Revenues from education business	95.62	68.73	-	-
Total	178.35	151.55	18.27	15.17
<u>Cost of other services</u>				
Cost of medical spa business	49.66	60.41	-	-
Cost of hotel business	10.59	20.95	17.80	21.19
Cost of education business	156.32	111.90	-	-
Total	216.57	193.26	17.80	21.19

31. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Purchase of land and payments of construction costs	15,371.29	15,739.26	9,904.32	10,643.52
Changes in property development for sale	(3,276.84)	(4,769.62)	(4,432.33)	(4,822.40)
Salary and wages and other employee benefits	1,322.20	1,022.75	811.71	692.79
Depreciation	260.16	194.73	111.61	81.81
Amortisation of intangible assets	6.18	10.26	3.99	5.70
Amortisation of leasehold rights	46.65	48.93	19.78	22.06
Provision for home care warrantee	80.04	63.54	38.83	37.53
Rental expenses from operating lease agreements	51.45	49.73	24.93	14.81
Bad debts and doubtful accounts	3.26	7.51	3.76	3.28
Expenses relating to flood effects	88.69	-	53.88	-

Due to flood situation in Nonthaburi, Pathumthani Nakhonphatom and Bangkok, between October 2011 and November 2011, water inundated some projects of the Company and its subsidiaries resulted to damage of certain house under constructions and related projects utilities and the Company and its subsidiaries have been forced to temporarily cease construction. However, currently the Company and its subsidiaries are in the process of renovation of those projects. Costs of renovations of projects sold, expenses in relation to flood protection and treatment for employees and customers of the Company and its subsidiaries who were effected from flood were recorded as expenses for the year 2011, totally Baht 88.69 million (Separate financial statements: Baht 53.88 million). Costs of renovation of projects under operated are capitalised to property development.

32. Promotional privileges

By virtue of the provisions of the Investment Promotion Act of B.E. 2520, Plus Property Company Limited (a subsidiary) has been granted privileges by the Board of Investment relating to developing any apartment building project for persons who have low or middle income (where the usable area in each unit shall not be less than 28 square meters and the contracted sale amount is less than Baht 1,000,000 included land price).

The principal privilege is the exemption from corporate income tax for a period of 5 years from the start of business operations related to these privileges.

As promoted company, the subsidiary must comply with certain terms and conditions prescribed in the promotional certificate.

33. Provident fund

The Company, subsidiaries and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, subsidiaries and their employees contributed to the fund monthly at the rate of 5-12 percent of basic salary. The fund, which is managed by Kasikorn Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2011 and 2010, the Company and its subsidiaries contributed Baht 42.94 million and Baht 40.01 million, respectively, to the fund (Separate financial statements: Baht 31.68 million and Baht 27.32 million, respectively).

34. Dividend paid

Dividends of the Company which were declared in 2011 and 2010 consist of the following: -

(Unit: Baht)

Dividends	Approved by	Total dividend	Dividend per share	Date of dividends payment
Final dividend from 2009 earnings	The Annual General Meeting of the shareholders on 30 April 2010	766,286,920 ⁽¹⁾	0.52	18 May 2010
Final dividend from 2010 earnings	The Annual General Meeting of the shareholders on 25 April 2011	177,665,595 ⁽²⁾	0.117975	20 May 2011
Stock dividend from 2010 earnings	The Annual General Meeting of the shareholders on 25 April 2011	1,598,990,352 ⁽³⁾	1.061775	20 May 2011

⁽¹⁾Actual dividend paid amounted to Baht 766,267,032 because some shareholders were not entitled to receive dividends.

⁽²⁾Actual dividend paid amounted to Baht 177,676,576 due to inclusion of cash dividend of fractions of shares.

⁽³⁾On 25 April 2011, the Annual General Meeting of the shareholders approved the Company's distribution of a stock dividend to the Company's shareholders, consisting of 250,993,282 with a par value of Baht 4.28 per share, in a ratio of 6 existing shares per 1 dividend share, equivalent to payment of Baht 1.061775 per share. The meeting also approved a cash dividend of 0.117975 per share in order to cover the payment of 10% withholding tax. Subsequently, 250,988,477 shares were allotted, or equivalent to approximately Baht 1,598,796,598. The dividend for the 4,805 shares left over (fractions of shares) was paid with the cash dividend. The Company registered the increase in its share capital with the ministry of commerce on 12 May 2011. The Company determined value of stock dividend based on fair value.

35. Commitments and contingent liabilities

35.1 Capital commitments

As at 31 December 2011 and 2010, the Company and its subsidiaries have the following capital commitments: -

- a) The Company and its subsidiaries had commitments of Baht 8,114.93 million and Baht 6,893.96 million, respectively, under project construction agreements, decoration agreements, advisory service agreements and system development agreements (Separate financial statements: Baht 5,338.03 million and Baht 5,850.67 million, respectively).
- b) The Company and its subsidiaries has commitments of Baht 3,155.62 million and Baht 1,355.95 million, respectively, under land and condominium units purchase agreements (Separate financial statements: Baht 2,547.65 million and Baht 864.24 million, respectively)

35.2 Operating lease commitments

- a) The Company and its subsidiaries have entered into several lease agreements in respect of the lease of office building space, motor vehicles and equipment. The terms of the agreements are generally between 3 and 4 years.

As at 31 December 2011, future minimum lease payments required under non-cancellable operating leases contracts were as follows.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Within one year	34.75	28.68
1 to 5 years	98.57	90.07
Total	133.32	118.75

- b) The Company and its subsidiaries had commitments of Baht 50.72 million in relation to advertising and public relations for the projects (Separate financial statements: Baht 34.73 million).
- c) As at 31 December 2011, the Company and subsidiaries have servitude over land of approximately 17 rai of which the cost is included in the cost of projects.
- d) The significant long-term lease agreements are as follow: -

Chanachai Limited entered into a 30-year land rental agreement with the Office of The Privy Purse for construction of a condominium for the Baan Sansiri Project, covering the period from 1 November 1993 to 31 October 2023. Total amounts to Baht 117.70 million. On the agreement date, Chanachai Limited made an initial payment of Baht 30 million and the remainder is to be paid over the period of 30 years as stipulated in the agreement.

S.U.N. Management Company Limited entered into a land rental agreement with the Crown Property Bureau in order to construct buildings and structures on such land. The agreement is for 30 years, from 16 September 2002, and the total rental payable is approximately Baht 88.04 million. The subsidiary paid this rental in full in July 2004.

35.3 Bank guarantees

As at 31 December 2011 and 2010, there were the outstanding bank guarantees for Baht 896.94 million and Baht 995.88 million, respectively, issued by the banks in respect of requirements of the Company and its subsidiaries arising in the normal course of business. These included letters of guarantee to guarantee contractual performance regarding preparation and maintenance of public utilities, public services and land improvement and to guarantee electricity use (Separate financial statements: Baht 617.36 million and Baht 531.72 million, respectively).

35.4 Litigations

As at 31 December 2011 and 2010, the Company and its subsidiaries have various outstanding litigation cases, relating to allegations of breaches of agreements to purchase and to sell and torts. Total damages claimed amount to Baht 54.80 million and Baht 40.07 million, respectively. However, the Company and its subsidiaries are defending the lawsuits, and since the Company's lawyers and management believe that the Company and its subsidiaries will not incur any losses from the litigation, no addition entries have been made in respect of these cases beyond provision already recorded (Note 25) (Separate financial statements: Baht 21.92 million and Baht 9.60 million, respectively).

35.5 Other commitments

The Company has commitments regarding contribution to the United Nations International Emergency Children's Fund (UNICEF) at a minimum of USD 1 million per year for the three-year period between 2011 and 2013. This is in accordance with memorandum of understanding between the Company and UNICEF dated 28 December 2010.

36. Financial information by segment

The Company and its subsidiaries' main business is property development with its properties consisting of land and housing projects, residential condominium projects, serviced apartments for rent, and office buildings for rent; the provision of building management service and real estate brokerage; and the other provision of other services (hotel, medical spa and education business). The Company and its subsidiaries operate in the single geographic area of Thailand.

The financial information of the Company and its subsidiaries are divided into three main segments: real estate business, building management and real estate brokerage, and other services (hotel, medical spa and education business). The details presented in the consolidated statements of comprehensive income for the years ended 31 December 2011 and 2010 are as follows:-

(Unit: Million Baht)

	Real estate		Building management and real estate brokerage		Hotel, Spa and Education		Eliminated		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Revenues from external customers	19,925.48	18,068.46	438.02	375.78	178.34	151.54	-	-	20,541.84	18,595.78
Inter segment revenues	35.15	38.55	321.79	286.22	0.81	1.41	(357.75)	(326.18)	-	-
Total revenue	19,960.63	18,107.01	759.81	662.00	179.15	152.95	(357.75)	(326.18)	20,541.84	18,595.78
Operating income (loss)	5,309.99	5,079.35	148.68	74.76	(38.22)	(29.05)	-	-	5,420.45	5,125.06
Other income									137.34	159.62
Common expenses									(2,552.30)	(2,362.22)
Reversal of provision for diminution in value of property development for sale and investment properties (loss)									11.35	(15.37)
Loss on impairment of goodwill, investments and loans to subsidiaries									-	(61.50)
Income before finance costs and income tax									3,016.84	2,845.59
Finance costs									(222.38)	(245.18)
Corporate income tax									(778.77)	(702.32)
Non-controlling interest of subsidiaries									(0.61)	(0.36)
Profit for the year									2,015.08	1,897.73

The financial information in the consolidated statements of financial position as at 31 December 2011 and 2010 by real estate business, building management and real estate brokerage business, and other services (hotel, medical spa and education business) is as follows:-

(Unit: Million Baht)

	Real estate		Building management and real estate brokerage		Hotel, Spa and Education		Total	
	2011	2010	2011	2010	2011	2010	2011	2010
Property development for sale	25,616.04	22,339.20	-	-	-	-	25,616.04	22,339.20
Investment properties	676.67	317.45	-	-	-	-	676.67	317.45
Hotel, Spa and Education	-	-	-	-	823.77	878.56	823.77	878.56
Land, building and equipment	-	-	-	-	-	-	1,057.02	510.94
Leasehold rights	384.71	666.62	-	-	-	-	384.71	666.62
Other assets							7,679.47	6,477.68
Total assets							<u>36,237.68</u>	<u>31,190.45</u>

37. Financial instruments

37.1 Financial risk management

The Company and its subsidiaries's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, trade accounts payable and loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable and loans. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable and loans as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks, debentures and long-term borrowings. However, since most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2011 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements								
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within one year	1 - 5 years	Over 5 years	At call				
Financial Assets								
- Cash equivalents (excluding cash)	367.52	-	-	-	2,341.94	150.38	2,859.84	2.50 - 3.30
- Current investments	-	-	-	-	-	104.90	104.90	-
- Trade accounts receivables	-	-	-	-	-	47.55	47.55	-
- Restricted bank deposits	50.64	-	-	-	-	-	50.64	2.50-3.30
	418.16	-	-	-	2,341.94	302.83	3,062.93	
Financial liabilities								
- Short-term loans from banks	1,246.60	-	-	-	-	-	1,246.60	5.00 - 6.00
- Promissory notes - purchase of land	-	-	-	-	-	787.60	787.60	-
- Trade accounts payable	-	-	-	-	-	974.68	974.68	-
- Bills of exchange	596.43	-	-	-	-	-	596.43	5.00
- Long-term loans	-	-	-	-	10,750.23	-	10,750.23	Note 23
- Unsecured debentures	998.49	4,971.83	-	-	-	-	5,970.32	Note 26
	2,841.52	4,971.83	-	-	10,750.23	1,762.28	20,325.86	

(Unit: Million Baht)

Separate financial statements

	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within one year	1 - 5 years	Over 5 years	At call				
Financial Assets								
- Cash equivalents (excluding cash)	252.00	-	-	-	1,330.18	124.52	1,706.70	2.50 - 3.30
- Current investments	-	-	-	-	-	101.95	101.95	-
- Trade accounts receivables	-	-	-	-	-	7.68	7.68	-
- Restricted bank deposits	6.77	-	-	-	-	-	6.77	2.50 - 3.30
- Short-term loans to related parties	-	-	-	4,329.59	-	-	4,329.59	3.00
	258.77	-	-	4,329.59	1,330.18	233.99	6,152.53	
Financial liabilities								
- Short-term loans from banks	1,246.60	-	-	-	-	-	1,246.60	5.00 - 6.00
- Promissory notes - purchase of land	-	-	-	-	-	787.60	787.60	-
- Trade accounts payable	-	-	-	-	-	738.40	738.40	-
- Bills of exchange	596.43	-	-	-	-	-	596.43	5.00
- Long-term loans	-	-	-	-	8,042.31	-	8,042.31	Note 23
- Unsecured debentures	998.49	4,971.83	-	-	-	-	5,970.32	Note 26
	2,841.52	4,971.83	-	-	8,042.31	1,526.00	17,381.66	

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arise mainly from loans denominated in foreign currencies. Since liabilities denominated in foreign currencies are immaterial and due in short period, the Company and its subsidiaries do not use any derivatives to manage such risk.

As at 31 December 2011, the Company and its subsidiaries had loans from banks denominated in GBP 3.25 million (Separate financial statements: loans to a subsidiary in GBP 5.56 million) (average exchange rate Baht 49.21 per 1 GBP).

37.2 Fair values of financial instruments

The methods and assumptions used by the Company and its subsidiaries in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturity, including cash and cash at banks, accounts receivable and accounts payable, their carrying amounts in the statement of financial position approximate their fair value.
- b) For equity securities, their fair value is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
- c) For fixed rate debentures and promissory notes – purchase of land, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- d) For short-term and long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.

The fair values of the Company and its subsidiaries' financial instruments are estimated to approximately the amounts presented in the statements of financial position, except for the following:

(Unit: Million Baht)

	Consolidated / Separate financial statements	
	Carrying amount	Fair value
<u>Financial liabilities</u>		
Promissory notes - purchase of land	787.60	776.73
Unsecured debentures	5,970.32	5,559.64

38. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

The Company manages its capital position with reference to its debt-to-equity ratio in order to comply with a condition in loan agreements with banks and debenture issuance, which requires the Company to maintain a debt-to-equity ratio of not more than 2:1. Debt means to interest bearing debts.

The Company's capital used to calculate above financial ratio includes ordinary shares, and retained earnings less the net unrealised gains reserve.

As at 31 December 2011, the Group's debt-to-equity ratio was 1.63:1.00 (2010: 1.55:1.00) and the Company's was 1.50:1.00 (2010: 1.33:1.00).

No changes were made in the objectives, policies or processes during the years end 31 December 2011 and 2010.

39. Subsequent event after the reporting period

The meeting of the Company's Board of Directors held on 27 February 2012 passed the following resolutions: -

- 39.1** Approval to pay annual dividend for the operational results from 1 January 2011 to 31 December 2011 at the rate of 0.14 Baht (Fourteen Satang) per share.
- 39.2** To propose for approval at the Annual General Meeting of Shareholders for the decrease of the registered capital of the Company, which will be made from the existing registered capital of 11,641,589,650.96 Baht to be the new registered capital of 11,641,569,085.56 Baht by canceling its registered but un-issued share in the number of 19,220 shares as they were left over after the allotment of the stock dividend
- 39.3** To propose for approval at the Annual General Meeting of Shareholders for the Plan to Issue and Offer the Ordinary Share-Purchase Warrants of Sansiri Public Company Limited to the Directors and Employees of the Company and its Subsidiaries # 7 (ESOP # 7 scheme). The significant details of ESOP#7 are as following;

Number of Warrants to be issued and allotted	355,000,000 Units
Exercise ratio	1 unit of Warrant will be entitled to purchase 1 ordinary share.
Exercise price (per unit)	2.00 Baht (Two Baht Only)
Maturity	Not exceeding 5 years from the issuance and offering date

39.4 Approval the issuance and offering of not more than Baht 5,000 million of debentures, or the equivalent in other currencies. The debentures to be issued may be of any type and in any form (secured or unsecured debentures), depending on prevailing market conditions at the time the debentures are issued and offered, and they are to have a term of not over 10 years.

These resolutions will be proposed for approval at the 2012 Annual General Meeting of the Company's shareholders.

40. Reclassifications

To comply with the Notification of the Department of Business Development relating to the financial statement presentation as described in Note 2 to the financial statement and as the result of the adoption of revised and new accounting standards as described in Note 3 to the financial statements, certain amounts in the financial statements for the year ended 31 December 2010 have been reclassified to conform to the current year's classification, without any effect to the previously reported profit or shareholders' equity.

The reclassifications are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	As reclassified	As previously reported	As reclassified	As previously reported
Statements of financial position				
Property development for rent	-	900,894,878	-	315,318,582
Investment properties	317,454,051	-	142,018,295	-
Leasehold rights	666,623,275	79,124,554	252,424,841	79,124,554
Prepaid expenses	22,821,545	-	9,591,021	-
Other current assets - others	50,287,895	77,167,334	60,322,414	69,913,435

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	As reclassified	As previously reported	As reclassified	As previously reported
Withholding tax deducted at source	-	17,760,750	-	-
Non-current assets - others	94,730,247	76,969,497	-	-
Accrued expenses	442,785,050	730,453,905	314,258,858	469,436,145
Accrued project costs	287,668,855	-	155,177,287	-
Specific business tax payable	-	18,154,362	-	9,340,787
Other current liabilities - other	100,944,199	82,789,837	44,804,068	35,463,281

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	As reclassified	As previously reported	As reclassified	As previously reported
Statements of comprehensive income				
Management expenses	-	250,585,200	-	242,206,200
Administrative expenses	1,585,164,552	1,334,579,352	1,082,472,557	840,266,357

41. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2012.

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